



Local Agency Formation Commission  
for the County of Los Angeles

## SPECIAL MEETING

### LOCAL AGENCY FORMATION COMMISSION MEETING AGENDA

Wednesday, November 13, 2019  
9:00 a.m.

#### Room 374A

Kenneth Hahn Hall of Administration  
500 West Temple Street, Los Angeles 90012

Commission  
Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Barger  
Richard Close  
Margaret Finlay  
Janice Hahn  
John Mirisch  
Greig Smith

Alternate Members  
Lori Brogin-Falley  
Sheila Kuehl  
Judith Mitchell  
Joseph Ruzicka  
David Ryu  
Vacant  
(Public Member)

Staff  
Paul Novak  
Executive Officer

Adriana Romo  
Deputy Executive Officer

Amber De La Torre  
Doug Dorado  
Michael Henderson  
Alisha O'Brien  
Patricia Wood

80 South Lake Avenue  
Suite 870  
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[www.lalafco.org](http://www.lalafco.org)

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- 500 West Temple Street (third floor of KHHOA)
- 225 N. Hill Street (first floor of KHHOA)
- 222 N. Grand Avenue (fourth floor of KHHOA)
- Civic Mall/ Grand Park, between KHHOA and the Civil Court Building (second floor of the KHHOA)

Entrance through any other exterior door of the KHHOA is prohibited (all other entrances are locked) due to County of Los Angeles security restrictions.

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The entire agenda package and any meeting related writings or documents provided to a majority of the Commissioners after distribution of the agenda package, unless exempt from disclosure pursuant to California Law, are available at the LAFCO office and at [www.lalafco.org](http://www.lalafco.org).

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1. **CALL MEETING TO ORDER**
2. **PLEDGE OF ALLEGIANCE WILL BE LED BY CHAIR GLADBACH**
3. **DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)**
4. **SWEARING-IN OF SPEAKER(S)**

5. **INFORMATION ITEM(S) – GOVERNMENT CODE §56857 NOTICE**

None.

6. **CONSENT ITEM(S)**

*All matters are approved by one motion unless held by a Commissioner or member(s) of the public for discussion or separate action.*

- a. Approve Minutes of October 16, 2019.
- b. Approve Operating Account Check Register for the month of October 2019.
- c. Receive and file update on pending proposals.
- d. Annexation No 2018-11 to the Los Angeles County Waterworks District No. 37, Acton, and California Environmental Quality Act (CEQA) exemption.

7. **PUBLIC HEARING(S)**

None.

8. **PROTEST HEARING(S)**

None.

9. **OTHER ITEMS**

- a. Interview Alternate Public Member Finalist and Appoint Alternate Public Member.
- b. Recommendation to Award Contract to Consultant for the Consolidated Fire Protection District of Los Angeles County Municipal Service Review and Sphere of Influence Update.
- c. Sativa Water System Status Report.
- d. Draft Sphere of Influence Policy.

10. **LEGISLATION**

None.

11. **MISCELLANEOUS CORRESPONDENCE**

- a. 2019 Edition of The Sphere.

12. **COMMISSIONERS' REPORT**

Commissioners' questions for staff, announcements of upcoming events and opportunity for Commissioners to briefly report on their LAFCO-related activities since last meeting.

13. **EXECUTIVE OFFICER'S REPORT**

- a. Executive Officer Written Report.
- b. Executive Officer Verbal Report.

14. **PUBLIC COMMENT**

This is the opportunity for members of the public to address the Commission on items not on the posted agenda, provided that the subject matter is within the jurisdiction of the Commission. Speakers are reminded of the three-minute time limitation.

15. **FUTURE MEETINGS**

January 8, 2020  
February 12, 2020  
March 11, 2020

16. **FUTURE AGENDA ITEMS**

Items not on the posted agenda which, if requested, will be referred to staff or placed on a future agenda for discussion and action by the Commission.

17. **ADJOURNMENT**



Local Agency Formation Commission  
for the County of Los Angeles

6.a

 **DRAFT**

Commission  
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SPECIAL MEETING

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION

FOR THE COUNTY OF LOS ANGELES

October 16, 2019

Present:

Jerry Gladbach, Chair

Kathryn Barger  
Richard Close  
Donald Dear  
Margaret Finlay  
Janice Hahn  
Gerard McCallum  
John Mirisch

Judith Mitchell, Alternate  
Joe Ruzicka, Alternate  
David Ryu, Alternate

Paul Novak, Executive Officer  
Carole Suzuki, Legal Counsel

Absent:

Lori Brogin-Falley, Alternate  
Sheila Kuehl, Alternate

Vacant:

City of Los Angeles Member  
Alternate Public Member

1 CALL MEETING TO ORDER

The meeting was called to order at 8:32 a.m. in Room 381-B of the County Hall of Administration by Chair Jerry Gladbach.

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Jerry Gladbach.

3 DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)

The Executive Officer (EO) read an announcement, asking that persons who made a campaign contribution of more than \$250 to any member of the Commission during the past twelve (12) months to rise and state for the record the Commissioner to whom such campaign contributions were made and the item of their involvement (None).

The EO read an announcement, asking if any Commissioner had received a campaign contribution that would require disclosure or any other issue requiring recusal from any item on today's agenda (None).

4 SWEARING-IN OF SPEAKER(S)

The EO swore in member of the audience who planned to testify (None).

5 INFORMATION ITEM(S) – GOVERNMENT CODE §§ 56751 & 56857 NOTICE

None.

6 CONSENT ITEM(S)

The Commission took the following actions under Consent Items:

- a. Approved Minutes of September 11, 2019.
- b. Approved Operating Account Check Register for the month of September 2019.
- c. Received and filed update on pending proposals.

MOTION:	Dear	SECOND: McCallum	APPROVED: 7-0-0
AYES:	Barger, Dear, Finlay, Hahn, McCallum, Mirisch, Gladbach		
NOES:	None.		
ABSTAIN:	None.		
ABSENT:	Close		

## 7 PUBLIC HEARING(S)

None.

[Commissioner Close arrived at 8:40 a.m.]

## 8 PROTEST HEARING(S)

None.

## 9 OTHER ITEMS

The following item was called up for consideration:

- a. Interview Alternate Public Member Finalists.

[Commissioner Ryu arrived at 8:42 a.m.]

The Commission took the following actions:

- Interviewed the four (4) finalists for the Alternate Public Member vacancy;

Continued Agenda Item 9.a. until November 13<sup>th</sup> to: 1) interview one (1) remaining finalist; and 2) after interviewing the remaining finalist, deliberate and vote to appoint a new Alternate Public Member at the November 13<sup>th</sup> Meeting.

MOTION:	Finlay	SECOND:	Dear	APPROVED:	9-0-0
AYES:	Close, Barger, Dear, Finlay, Hahn, McCallum, Mirisch, Ryu (Alt. for vacant City of Los Angeles member), Gladbach				
NOES:	None.				
ABSTAIN:	None.				
ABSENT:	None.				

## 9 OTHER ITEMS

The following item was called up for consideration:

- b. Potential Cancellation of the December 11, 2019 Meeting.

The EO summarized the staff report concerning the Potential Cancellation of the December 11, 2019 Meeting.

The Commission took the following actions:

- Canceled the December 11, 2019 Commission Meeting; and

- Directed the Executive Officer to send notice via the LAFCO e-mail alert notification system and post notice on the LAFCO website.

MOTION: Barger                      SECOND: McCallum                      APPROVED: 9-0-0  
AYES: Close, Barger, Dear, Finlay, Hahn, McCallum, Mirisch, Ryu (Alt. for vacant City of Los Angeles member), Gladbach  
NOES: None.  
ABSTAIN: None.  
ABSENT: None.

## 10 LEGISLATION

The following item was called up for consideration:

- a. Legislative Update.

The Commission took the following action:

- Received and filed the Legislative Update.

MOTION: Barger                      SECOND: Dear                      APPROVED: 9-0-0  
AYES: Close, Barger, Dear, Finlay, Hahn, McCallum, Mirisch, Ryu (Alt. for vacant City of Los Angeles), Gladbach  
NOES: None.  
ABSTAIN: None.  
ABSENT: None.

## 11 MISCELLANEOUS CORRESPONDENCE

The EO noted that the following letters had been received:

- a. September 20, 2019 Letter from Jennifer Farr, CPA, of DavisFarr Certified Public Accountants, concerning preparation of the Fiscal Year 2017-2018 Audit.
- b. Letter of September 17, 2019 from Executive Officer Paul Novak to Los Angeles City Council President Herb Wesson.

## 12 COMMISSIONERS' REPORT

None.

## 13.a. EXECUTIVE OFFICER'S WRITTEN REPORT

The EO summarized the Executive Officer Report.

### 13.b. EXECUTIVE OFFICER'S VERBAL REPORT

The EO introduced staff member Adriana Flores as LAFCO's new Office Assistant.

Since posting of the agenda, the EO indicated that he sent a letter to Bill Kruse appointing him to conduct the special district election for the seat currently held by Commissioner Don Dear (term will expire May of 2020).

At the previous meeting, the Commission designated Commissioner Finlay as Voting Delegate and Executive Officer, Paul Novak, as the Alternate Voting Delegate for the CALAFCO's Annual Conference Board of Directors meeting. The EO indicated that Chair Gladbach will attend the Board of Directors meeting. Therefore, the EO requested that the Commission designate Chair Gladbach as the Voting Member and Commissioner Finlay as the Alternate Voting Member.

The Commission took the following actions:

- Designated Chair Gladbach as the Voting Delegate for the CALAFCO's Board of Directors; and
- Designated Commissioner Finlay as the Alternate Voting Delegate for the CALAFCO's Board of Directors.

MOTION:	Dear	SECOND: Finlay	APPROVED: 9-0-0
AYES:	Close, Barger, Dear, Finlay, Hahn, McCallum, Mirisch, Ryu (Alt. for vacant City of Los Angeles), Gladbach		
NOES:	None.		
ABSTAIN:	None.		
ABSENT:	None.		

### 14 PUBLIC COMMENT

None.

### 15 FUTURE MEETINGS

November 13, 2019  
December 11, 2019 (canceled)  
January 8, 2020  
February 12, 2020

### 16 FUTURE AGENDA ITEMS

None.



17 ADJOURNMENT MOTION

On motion of Chair Gladbach, the meeting was adjourned at 9:47 a.m.

Respectfully submitted,

Paul Novak, AICP  
Executive Officer

2:59 PM

11/04/19

Cash Basis

# LA LAFCO

## Register Report

### October 2019

Type	Date	Num	Name	Paid Amount	Balance
<b>Oct 19</b>					
Check	10/04/2019	ADP	ADP	-166.80	-166.80
Check	10/04/2019	ADP	ADP	-39.37	-206.17
Check	10/09/2019	WIRE	TRPF 80 South Lak...	-8,949.87	-9,156.04
Check	10/10/2019	10444	void	0.00	-9,156.04
Bill Pmt -Check	10/10/2019	10445	Certified Records M...	-1,043.18	-10,199.22
Bill Pmt -Check	10/10/2019	10446	Charter Communica...	-531.71	-10,730.93
Bill Pmt -Check	10/10/2019	10447	CoreLogic	-28.80	-10,759.73
Bill Pmt -Check	10/10/2019	10448	County of Los Angel...	-649.98	-11,409.71
Bill Pmt -Check	10/10/2019	10449	E Mulberg & Associ...	-2,700.00	-14,109.71
Bill Pmt -Check	10/10/2019	10450	FedEx	-30.54	-14,140.25
Bill Pmt -Check	10/10/2019	10451	LACERA-OPEB	-1,733.25	-15,873.50
Bill Pmt -Check	10/10/2019	10452	Mail Finance	-382.28	-16,255.78
Bill Pmt -Check	10/10/2019	10453	Office Depot*	-452.43	-16,708.21
Bill Pmt -Check	10/10/2019	10454	Promac Image Syst...	-178.04	-16,886.25
Bill Pmt -Check	10/10/2019	10455	Transamerica Life In...	-180.00	-17,066.25
Bill Pmt -Check	10/10/2019	10456	Wells Fargo	-385.89	-17,452.14
Check	10/15/2019	DD	Federal Tax Deposit	-4,766.53	-22,218.67
Check	10/15/2019	DD	State Income Tax	-1,413.99	-23,632.66
Check	10/15/2019	DD	Ambar De La Torre	-2,112.52	-25,745.18
Check	10/15/2019	DD	Douglass S Dorado	-3,048.35	-28,793.53
Check	10/15/2019	DD	Adriana L Flores	-1,263.78	-30,057.31
Check	10/15/2019	DD	Michael E Henderson	-2,368.51	-32,425.82
Check	10/15/2019	DD	Paul A Novak	-5,517.72	-37,943.54
Check	10/15/2019	DD	Alisha O'Brien	-2,428.98	-40,372.52
Check	10/15/2019	DD	Adriana Romo	-3,523.94	-43,896.46
Check	10/17/2019	10457	CALAFCO'	-370.00	-44,266.46
Check	10/18/2019	ADP	ADP	-141.66	-44,408.12
Check	10/24/2019	10458	CTS Clouds	-2,550.00	-46,958.12
Check	10/31/2019	DD	Federal Tax Deposit	-192.36	-47,150.48
Check	10/31/2019	DD	Federal Tax Deposit	-4,813.61	-51,964.09
Check	10/31/2019	DD	State Income Tax	-1,423.92	-53,388.01
Check	10/31/2019	59985...	Kathryn Barger	-134.08	-53,522.09
Check	10/31/2019	DD	Richard Close	-138.53	-53,660.62
Check	10/31/2019	DD	Donald Dear	-138.53	-53,799.15
Check	10/31/2019	59985...	Margaret E Finlay	-138.52	-53,937.67
Check	10/31/2019	59985...	Edward G Gladbach	-138.52	-54,076.19
Check	10/31/2019	DD	Janice K Hahn	-135.19	-54,211.38
Check	10/31/2019	DD	Gerard McCallum II	-138.52	-54,349.90
Check	10/31/2019	59985...	John A Mirisch	-138.53	-54,488.43
Check	10/31/2019	59985...	Judith M Mitchell	-138.52	-54,626.95
Check	10/31/2019	DD	David E Ryu	-138.52	-54,765.47
Check	10/31/2019	DD	Ambar De La Torre	-2,112.52	-56,877.99
Check	10/31/2019	DD	Douglass S Dorado	-3,570.79	-60,448.78
Check	10/31/2019	DD	Adriana L Flores	-1,392.45	-61,841.23
Check	10/31/2019	DD	Michael E Henderson	-2,368.51	-64,209.74
Check	10/31/2019	DD	Paul A Novak	-5,244.18	-69,453.92
Check	10/31/2019	DD	Alisha O'Brien	-2,428.98	-71,882.90
Check	10/31/2019	DD	Adriana Romo	-3,318.56	-75,201.46
<b>Oct 19</b>				<b>-75,201.46</b>	<b>-75,201.46</b>

AGENDA ITEM NO. 6.c. November 13, 2019						
PENDING PROPOSALS As of November 5, 2019						
	LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
1	DD Annexation 2006-12 to Los Angeles County Waterworks District No. 40	Land Resource Investors	Annex 20 acres of vacant land located at the northeast corner of Avenue J and 37th Street East, City of Lancaster. Will be developed into 80 single family homes.	Incomplete filing: property tax transfer resolution, registered voter and landowner labels.	5/16/2006	Unknown
2	DD Annexation No. 2006-46 to Los Angeles County Waterworks District No. 40	New Anaverde, LLC	Annex 1,567 acres of vacant land located near Lake Elizabeth Road and Avenue S in the city of Palmdale. Will be developed into 313 single family home.	Incomplete filing: CEQA, registered voter labels, and landowner labels, and approved map and legal.	10/5/2006	Unknown
3	DD Annexation No. 2011-17 (2006-50) to Los Angeles County Waterworks District No. 40	Behrooz Haverim/Kamyar Lashgari	Annex 20.62 acres of vacant land located south of Avenue H between 42nd Street West and 45th Street West in the City of Lancaster. To be developed into single family homes	Incomplete filing: property tax transfer resolution, registered voter and landowner labels.	12/1/2006	Unknown
4	DD Annexation 2008-13 to Los Angeles County Waterworks District No. 40	Lancaster School Dist.	Annex 20.47 acres of vacant land located 2 miles west of the Antelope Valley fw. And the nearest paved major streets are ave. H, And Ave. I, in the City of Lancaster. For future construction of a school.	Need BOE fees to place on agenda for approval. Emailed district for fees on 4-18-17.	9/22/2008	Unknown
5	DD Reorganization 2010-04 Los Angeles County Waterworks District No. 29	Malitex Partners, LLC	Detach 88 acres of vacant land from the Las Virgenes Municipal Water District and annex same said territory to Los Angeles County Waterworks District No 29 and West Basin Municipal Water District. The project includes future construction of three homes and dedicates open space. The project site is located north of Pacific Coast Highway at the end of Murphy Way, in the unincorporated area adjacent to Malibu.	Notice of Filing sent 07-15-10. Incomplete filing: CEQA. EIR on hold 4-14-15. Applicant requested to keep this file open, pending details how to proceed with the project 04/29/15.	6/9/2010	Unknown
6	DD City of Palmdale Annexation 2010-05	City of Palmdale	49.6 acres located adjacent to residential properties to the southwest, southeast, and separated by the Amargosa Creek to the north.	Notice of Filing sent 1-3-11 Incomplete filing: property tax transfer resolution, insufficient CEQA, unclear pre-zoning ordinance, approved map and legal. Need to include DUC .	10/25/2010	Unknown
7	DD Reorganization 2011-16 (Tesoro del Valle)	Montalvo Properties LLC	Annexation to NCWD and CLWA SOI Amendments for both districts. 801.53 acres regional access is provided via Interstate 5 (1-5) for north/south travelers from the east, and State Route 126 (SR-126) for travelers from the west. The existing local thoroughfare that provides access to the proposed area is Copper Hill Drive, which can be accessed directly from Tesoro del Valle Drive or Avenida Rancho Tesoro.	Notice of Filing sent 05-31-11. Incomplete filing: property tax transfer resolution. Project has changed ownership. Need new application	5/5/2011	Unknown
8	DD City of Los Angeles Annexation 2011-27	Forestar Group	685 acres of uninhabited territory located east of Browns Canyon Road and northwest of Mason Ave, in the unincorporated area just north of the City of Los Angeles.	Notice of Filing sent 2-15-12 Incomplete filing: property tax transfer resolution, CEQA, pre-zoning ordinance, map of limiting addresses, list of limiting addresses, and approved map and legal.	12/8/2011	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
9	DD	City of Palmdale Annexation 2011-19	City of Palmdale	405 acres of uninhabited territory located between Palmdale Blvd and Ave S and 80th and 85th Street East.	Notice of Filing sent 3-22-12 Incomplete filing: property tax transfer resolution, inadequate CEQA, maps of limiting addresses, list of limiting addresses, and approved map and legal. DUC adjacent	3/8/2012	Unknown
10	DD	Reorganization No. 2014-03 to the City of Calabasas	City of Calabasas	176± acres immediately north of and adjacent to the 101 freeway between the City of Calabasas and Hidden Hills.	Notice of Filing sent 1-8-15, Incomplete filing: property tax transfer resolution and approved map and legal.	12/10/2014	Unknown
11	DD	Annexation No. 2015-11 to the City of Palmdale (Desert View Highlands)	City of Palmdale	284 acres inhabited territory. Generally located north and south of Elizabeth Lake Road between Amargosa Creek and 10th street west, in Los Angeles County unincorporated territory surrounded by the City of Palmdale	Notice of Filing sent 9-22-15 Incomplete filing: property tax resolution, attachment 'A' plan for municipal services, CEQA (NOD), party disclosure, pre-zoning, map of limiting addresses, registered voter info	9/15/2015	Unknown
12	DD	Annexation No. 2015-10 to the City of Agoura Hills	City of Agoura Hills	117 acres uninhabited territory. Located northeast and southwest of Chesebro Road directly north of the Highway 101	Notice of Filing sent 11-3-15 Incomplete filing: property tax transfer resolution.	11/2/2015	Unknown
13	DD	Reorganization No. 2016-01 to the Las Virgenes Municipal Water District	Las Virgenes Municipal Water District	Detachment from West Basin Municipal Water District, and annexation to the Las Virgenes Municipal Water District. Both districts require SOI amendments. The territory consists of 26 single-family homes, generally located south of Cairnloch Street, west of Summit Mountain Way, all within the City of Calabasas.	Notice of Filing sent 04-19-16 Incomplete filing: property tax transfer resolution, and map and legal not approved.	2/22/2016	Unknown
14	AD	Annexation No. 2017-02 to the Newhall County Water District	Newhall County Water District	uninhabited territory, located west of the 5 freeway and north of the intersection of The Old Road and Calgrove Blvd.	Notice of Filing sent 06-21-17 Incomplete filing: property tax transfer resolution, CEQA, approved map and legal.	6/15/2017	Unknown
15	DD	Annexation No. 2017-09 to the Wilmington Cemetery District	Wilmington Cemetery District	inhabited territory around Wilmington	Notice of Filing sent 6-10-17 Incomplete filing: property tax transfer resolution	7/10/2017	Unknown
16	DD	Reorganization No. 2017-10 to the Las Virgenes Municipal Water District	Robert Douglass	5.26 acres of uninhabited territory. The affected territory is generally located northeast of the intersection of Hovenweep Lane and Schueren Road, in the unincorporated area north of Malibu	Notice of Filing Sent 11-30-17 Incomplete Filing: property tax transfer resolution, approved map and legal	11/8/2017	Unknown
17	AD	Annexation 297 to District No. 15	Sanitation Districts	13.88 acres of uninhabited territory. The affected territory is located on the southwest corner of Loukelton Street and Echelon Avenue, all within the City of Industry.	August 14, 2019 agenda	3/21/2018	Sep-2019

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
18	AD	Annexation 756 to District No. 21	Sanitation Districts	5.07± acres of inhabited territory. The affected territory is located on the south side of Baseline Road between Forbes Avenue and Allegany Court, all within the City of Claremont.	August 14, 2019 agenda	9/5/2018	Sep-2019
19	DD	Annexation No 2018-10 to the Los Angeles County Waterworks District No. 40, Antelope Valley	Robert Sarkissian	80.91± acres of uninhabited territory. The affected territory is located southeast of the intersection of Blackbird Street and 8Th Street West, in the City of Palmdale	September 1, 2019 agenda	10/1/2018	Oct-2019
20	DD	Annexation No. 2018-06 to the San Gabriel Valley Mosquito and Vector Control District	San Gabriel Valley Mosquito and Vector Control District	77.55± acres of inhabited territory. The affected territory is located north of the intersection of Mountain Laurel Way and Highwood Court in the City of Azusa.	Notice of Filing Sent 11-1-18 Incomplete filing: property tax transfer resolution, approved map and legal	10/22/2018	Unknown
21	DD	Annexation No. 2018-12 to the City of Agoura Hills	City of Agoura Hills	82.58± acres of inhabited territory to the City of Agoura Hills. Area A of the affected territory is generally located east of the intersection of Liberty Canyon Road and Agoura Road and Area C is generally located west of the intersection of Liberty Canyon Road and Revere Way, in Los Angeles County unincorporated territory adjacent to the City of Agoura Hills	Notice of Filing sent 11-20-18 Incomplete filing: property tax transfer resolution, CEQA, map of limiting addresses, pre-zoning, register voter labels, approved map and geographic description.	11/19/2018	Unknown
22	AD	Annexation 429 to District No. 14	Sanitation Districts	640.07± acres of uninhabited territory. The affected territory is located on the southeast corner of Sierra Highway and Columbia Way, all within the City of Palmdale.	Notice of Filing Sent 11-29-18 Incomplete filing: property tax transfer resolution.	11/28/2018	Unknown
23	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1093	Sanitation Districts	0.3± acres of uninhabited territory. The affected territory is located on Scherzinger Lane approximately 100 feet southwest of Sierra Cross Avenue, all within the City of Santa Clarita.	Notice of Filing Sent 12-27-18 Incomplete filing: property tax transfer resolution.	12/26/2018	Unknown
24	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1097	Sanitation Districts	230± acres of uninhabited territory. The affected territory is located south of Pico Canyon Road at the westerly terminus of Verandah Court, all within the unincorporated area of Los Angeles County.	Notice of Filing Sent 12-27-18 Incomplete filing: property tax transfer resolution.	12/26/2018	Unknown
25	DD	Annexation No. 2018-11 to the Los Angeles County Waterworks District No. 40, Antelope Valley	Lester Knox	20± acres of uninhabited territory. located southeast of the intersection of Mountain Springs Road and Hawk Free Court, in the unincorporated area known as Acton,	November agenda	10-Jan	Unknown
26	AD	Annexation 760 to District No. 21	Sanitation Districts	0.48± acres of uninhabited territory. The affected territory is located north of the Pomona freeway approximately 300 feet west of Hacienda Boulevard, all within the unincorporated area of Los Angeles County.	Notice of Filing Sent 1-30-19 Incomplete filing: property tax transfer resolution.	1/30/2019	Unknown
27	AD	Annexation 430 to District No. 14	Sanitation Districts	227.677± acres of uninhabited territory. The affected territory is located north of Avenue D, south of Avenue B, east of the Southern Pacific Railroad, and west of Edwards Air Force Base, all within the unincorporated area of Los Angeles County.	Notice of Filing Sent 2-20-19 Incomplete filing: property tax transfer resolution.	2/12/2019	Unknown
28	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1091	Sanitation Districts	4.158± acres of inhabited territory. The affected territory is located on Placeritos Boulevard approximately 200 feet west of Aden Avenue, all within the City of Santa Clarita.	Notice of Filing Sent 2-20-19 Incomplete filing: property tax transfer resolution.	2/12/2019	Unknown
29	AD	Annexation 759 to District No. 21	Sanitation Districts	1.21± acres of uninhabited territory. The affected territory has 2 parcels. Parcel 1 is located on Glen Way approximately 800 feet north of Baseline Road; Parcel 2 is located on Mountain Avenue approximately 150 feet north of Baseline Road, all within the unincorporated area of Los Angeles County.	Notice of Filing Sent 3-7-19 Incomplete filing: property tax transfer resolution.	3/6/2019	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
30	DD	Reorganization No. 2019-01 to the City of Rancho Palos Verdes	Rajendra Makan	1.17± acres of uninhabited territory located along Re Le Chardlene, east of the intersection of Chandeleur and Rue Le Charlene, in the City of Los Angeles.	Notice of Filing Sent 5-14-19 Incomplete filing: property tax transfer resolution and approved map and legal.	5/14/2019	Unknown
31	DD	Annexation No 2019-07 to the Greater Los Angeles County Vector Control District (Entire City of Vernon)	City of Vernon	3,301± acres of inhabited territory, entire City of Vernon	Notice of Filing Sent 8-28-19 Incomplete filing: property tax transfer resolution, party disclosure, approved map and legal.	7/23/2019	Unknown
32	AD	Annexation 762 to District No. 21	Sanitation Districts	0.389± acres of uninhabited territory. The affected territory is located on Mountain Avenue approximately 300 feet north of Baseline Road, all within Unincorporated Los Angeles County.	Notice of Filing Sent 9-24-19 Incomplete filing: property tax transfer resolution.	9/24/2019	Unknown
33	AD	Annexation 435 to District No. 22	Sanitation Districts	2.2± acres of uninhabited territory. The affected territory is located on Foothill Boulevard approximately 250 feet west of San Dimas Canyon Road, all within the City of San Dimas.	Notice of Filing Sent 9-24-19 Incomplete filing: property tax transfer resolution.	9/24/2019	Unknown
34	AD	Annexation 761 to District No. 21	Sanitation Districts	1.23± acres of uninhabited territory. The affected territory is generally located on Baseline Road approximately 1,000 feet west of Towne Avenue, all within the City of Claremont.	Notice of Filing Sent 10-17-19 Incomplete filing: property tax transfer resolution.	10/15/2019	Unknown
35	DD	Annexation No. 2019-03 to the Santa Clarita Valley Water Agency	Santa Clarita Valley Water Agency	324± acres of uninhabited territory. The affected territory is generally located east and west of San Francisquito Canyon Road approximately one mile north of the City of Santa Clarita, in Los Angeles County unincorporated territory near the City of Santa Clarita.	Notice of Filing Sent 10-23-19 Incomplete filing: property tax resolution, LAFCO fees, consent letter, CEQA, and approved map and legal	10/17/2019	Unknown
36	DD	Formation No. 2019-06 of the Lower Los Angeles River Recreation and Park District	City of South Gate	inhabited territory, along the Los Angeles River between Vernon and Long Beach	waiting an a map to start the formation process.	10/2/2019	Unknown

**Staff Report**

**November 13, 2019**

**Agenda Item No. 6.d.**

**Annexation No 2018-11 to the Los Angeles County Waterworks District No. 37, Acton**

**PROPOSAL SUMMARY:**

Size of Affected Territory:	20± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	Lester K. Knox
Petition:	October 1, 2018
Application Filed with LAFCO:	January 10, 2019
Certificate of Filing	October 17, 2019
Location:	The affected territory is located at southeast of the intersection of Mountain Springs Road and Hawk Free Court.
City/County:	Los Angeles County unincorporated territory of Acton.
Affected Territory:	The affected territory consists of vacant land. The affected territory will be developed to include a single-family home.
Surrounding Territory:	Surrounding the affected territory are residential and vacant land.
Landowner/Real Party of Interest:	Lester K. Knox
Registered Voters:	0 registered voters as of January 10, 2019
Purpose/Background:	The landowner states the annexation is necessary to place the affected territory in a waterworks district for the future development of a single-family home.
Jurisdictional Changes:	The jurisdictional changes that result from this proposal include annexation to the Los Angeles County Waterworks District No. 37, Acton.

Within SOI: Yes

Waiver of Public Hearing Pursuant to Government Code Section 56662(a), the Commission may waive notice and the public hearing for the annexation because the proposal meets all of the following criteria: the affected territory is uninhabited; no affected local agency has submitted a written demand for a hearing within ten (10) days following the mailed hearing notice; and all owners of land within the affected have given their written consent to the proposal. Staff has therefore agendaized the Proposal on the Commission "Consent Item(s)" portion of the Agenda as Agenda Item 6.d.

California Environmental Quality Act (CEQA) Clearance: The proposal is exempt from the provisions of CEQA because the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject CEQA.

Additional Information: None



## **CERTIFICATE OF FILING**

Pursuant to Government Code § 56020.6, a Certificate of Filing (COF) is “the document issued by the Executive Officer that confirms an application for a change of organization or reorganization has met submission requirements and is accepted for filing.”

Upon reviewing the proposal for completeness, and pursuant to the requirements of Government Code § 56658, the Executive Officer issued the COF to the applicant on October 17, 2019. In conjunction with the issuance of the COF, the Executive Officer set the date for consideration as Wednesday, November 13, 2019.

## **FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:**

### ***a. Affected population, territory and adjacent areas:***

The existing population is 0 residents as of January 10, 2019. The population density issue does not apply because the affected territory is unpopulated.

The estimated future population is 8 residents.

The affected territory is 20+/- acres. The affected territory consists of vacant land. The affected territory will be developed to include a single-family home.

The assessed valuation is \$254,657 as of 2018/2019 tax roll.

The per capita assessed valuation issue does not apply because the affected territory is unpopulated.

On September 17, 2019, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a corresponding property tax transfer resolution.

The topography of the affected territory is flat.

There are no natural boundaries within or adjacent to the affected territory.

There are no drainage basins on or near the affected territory.

The affected territory is surrounded by populated areas on all sides.

### ***b. Governmental Services and Controls:***

The affected territory will be developed to include a single-family home which requires organized governmental services. The affected territory will require governmental services indefinitely.

The present cost and adequacy of government services and controls in the area are acceptable. The probable effect of the proposed action and of alternative courses of action on

the cost and adequacy of services and controls in the affected territory and adjacent areas is minimal.

**c. *Proposed Action and Alternative Actions:***

The proposed action will have no effect on adjacent areas. The proposed action will have no effect on mutual social and economic interests. The proposal has no impact on the governmental structure of the County.

The effect of alternate actions on mutual social and economic interests and on the local governmental structure of the County is minimal.

**d. *Conformity with Commission Policies on Urban Development and Open Space Conversion Policies:***

There are no conformance issues because the Commission has not adopted any policies relative to providing planned, orderly, efficient patterns of urban development.

There is no prime agricultural land within or adjacent to the affected territory. The proposal conforms with the objectives in Government Code Sections 56377(a) and 56377(b).

**e. *Agricultural Lands:***

There are no effects on agricultural lands, as defined. None of the land within the affected territory is currently used for the purpose of producing an agricultural commodity for commercial purposes. According to the California Department of Conservation, Division of Land Resource Protection, none of the land within the affected territory is subject to a Land Conservation Act (aka "Williamson Act") contract nor in a Farmland Security Zone (California Land Conservation Act 2012 Status Report).

**f. *Boundaries:***

The boundaries of the affected territory have been clearly defined by the applicant, conform to lines of assessment or ownership, and have been reviewed and approved by LAFCO's GIS/Mapping Technician.

The Los Angeles County Waterworks District No. 37, Acton is a county waterworks district. The proposed annexation to the Los Angeles County Waterworks District No. 37, Acton is therefore subject to the provisions of its principal act, which is the County Waterworks District Law (Water Code Section 55000 *et seq*). Pursuant to Water Code Section 55800, "[a]ny portion or portions of a county containing unincorporated territory, or containing the whole or any portion of one or more incorporated cities, and not included in a district, may be added to any district." Water Code Section 55801 imposes additional requirements for annexation of territory:

"Territory within the same county but not contiguous with the district may be annexed to the district if the board determines that the district resulting from the annexation may be more efficiently and economically operated than if a separate district were formed. No parcel of noncontiguous territory which contains less than 10 acres may be annexed to any district."

The affected territory in this proposed annexation is contiguous with the existing boundaries of the District, and the proposal therefore complies with the contiguity provisions in Water Code Section 55800.

As a special district annexation, the proposal has no impact on existing city-county boundaries, nor does it create islands or corridors of unincorporated territory.

***g. Regional Transportation Plan:***

The Southern California Associated Governments (SCAG) adopted its 2016-2040 Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS) pursuant to Government Code Section 65080. The closest highway to the annexation is part of the RTP and SCS's State Highway improved program. The Closest highway in the RTP/SCS is State Route 14, which is approximately one mile from the affected territory.

***h. Consistency with Plans:***

The proposal is consistent with the existing County General Plan designation of Heavy Agricultural A-2.

The affected territory is not within the boundaries of any Specific Plan.

Pre-zoning is not a requirement for a special district proposal.

***i. Sphere of Influence:***

The affected territory is within the Sphere of Influence of the Los Angeles County Waterworks District No. 37, Acton.

***j. Comments from Public Agencies:***

Staff did not receive any significant comments from public agencies or any resolutions raising objections from any affected agency.

***k. Ability to Provide Services:***

The District supports the annexation and will determine the water needs and requirements for the water service once the annexation is complete and the landowner initiates and provides its development plans.

***l. Timely Availability of Water Supplies:***

There are no known issues regarding water supply or delivery.

***m. Regional Housing Needs:***

As a special district annexation, the proposal will not affect any city, nor the county, in achieving their respective fair shares of the regional housing needs as determined by the Southern California Association of Governments (SCAG).

***n. Comments from Landowners, Voters, or Residents:***

Staff did not receive any significant comments from landowners, voters, or residents.

***o. Land Use Designations***

The proposal is consistent with the existing County General Plan designation of Heavy Agricultural A-2.

The proposal is consistent with the existing County zoning designation of Heavy Agricultural A-2.

***p. Environmental Justice:***

The proposal will have no adverse effect with respect to the fair treatment of people of all races and incomes, or the location of public facilities or services.

There are no Disadvantaged Unincorporated Communities (DUCs) within or adjacent to the affected territory.

***q. Hazard Mitigation Plan, Safety Element, & Fire hazard zone:***

The County of Los Angeles All-Hazard Mitigation Plan (approved February 13, 2019) establishes the County's emergency policies and procedures in the event of a disaster and addresses allocation of resources and protection of the public in the event of an emergency.

The Safety Element of the General Plan for the County of Los Angeles (approved October 6, 2015) addresses reduction of the potential risk of death, injuries, and economic damages resulting from natural and man-made hazards.

The affected territory is within a Very High Fire Hazard Zone pursuant to maps published by the California Department of Forestry and Fire Protection (Cal Fire). The affected territory is within the maps that identify state responsibility area. Both the County of Los Angeles All-Hazard Mitigation Plan and the Safety Element of the General Plan include information relating to mitigation and management of wildfire and fire hazard severity zones.

**ADDITIONAL INFORMATION/OTHER MATTERS (RELEVANT TO THE PROPOSAL):**

None.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:**

The proposal is exempt from the provisions of CEQA pursuant to State CEQA Guidelines § 15061(b)(3) because the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject CEQA.

**DETERMINATIONS WITHOUT NOTICE AND HEARING, AND WAIVER OF PROTEST PROCEEDINGS:**

Pursuant to Government Code Section 56662(a), the Commission may make determinations upon the proposed annexation without notice and hearing and may waive protest hearings for the reasons set forth herein. The territory is uninhabited. To date, no affected local agency has submitted a written demand for notice and hearing during the 10-day period referenced in Government Code Section 56662(c). Furthermore, the proposal was accompanied by satisfactory proof that all the landowners within the affected territory have given their written consent to the proposed annexation. Based thereon, the Commission may make determinations on the proposed annexation without notice and hearing, and the Commission may waive protest proceedings.

**CONCLUSION:**

Staff recommends approval of the proposal as a logical and reasonable extension of Los Angeles County Waterworks District No. 37, Acton which will be for the interest of landowners and/or present and/or future inhabitants within the Los Angeles County Waterworks District No. 37, Acton and within the annexation territory.

**RECOMMENDED ACTION:**

1. Adopt the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 2018-11 to the Los Angeles County Waterworks District No. 37, Acton.

**RESOLUTION NO. 2019-00RMD**  
**RESOLUTION OF THE LOCAL AGENCY FORMATION**  
**COMMISSION FOR THE COUNTY OF LOS ANGELES**  
**MAKING DETERMINATIONS APPROVING AND ORDERING**  
**"ANNEXATION NO. 2018-11 TO THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 37,**  
**ACTON"**

WHEREAS, the Lester K. Knox (landowner) submitted a petition for proceedings, to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the Los Angeles County Waterworks District No. 37, Acton (District), all within the County of Los Angeles (County); and

WHEREAS, the proposed annexation consists of approximately 20± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2018-11 to the Los Angeles County Waterworks District No. 37, Acton"; and

WHEREAS, a description of the boundaries and map of the proposal are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein; and

WHEREAS, the principal reason for the proposed annexation is for the District to provide water service to the affected territory; and

WHEREAS, the Executive Officer has reviewed the proposal and submitted to the Commission a written report, including his recommendations therein; and

WHEREAS, the Commission has determined that the Proposal meets all of the criteria for the Commission to make a determination without notice and hearing and waive protest proceedings entirely, pursuant to Government Code Section 56662; and

WHEREAS, the Executive Officer set the item for consideration for November 13, 2019 at 9:00 a.m., at the Los Angeles County Board of Supervisors Hearing Room, Kenneth Hahn Hall of Administration Room 381-B, located at 500 West Temple Street, Los Angeles, California, 90012; and

WHEREAS, on November 13, 2019, this Commission considered the Proposal and the report of the Executive Officer.

WHEREAS, this resolution making determinations is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, California Government Code § 56000 et seq.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that this annexation is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines § 15061(b)(3) because the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject CEQA.
2. Pursuant to Government Code Section 56662(a), the Commission hereby finds and determines that:
  - a. The territory encompassed by the annexation is uninhabited; and
  - b. Pursuant to Government Code Sections 56658(b)(1) and 56662(c), the Executive Officer has given the required mailed notice to each affected agency of the application to initiate proceedings for the proposed annexation, and no affected

local agency has submitted a written demand for notice and hearing during the 10-day period following the notice; and

- c. The annexation was accompanied by satisfactory proof that all owners of land within the affected territory have given their written consent to the proposal.

Based thereon, pursuant to Government Code Section 56662 (a), the Commission may, and hereby does, make determinations on the proposal without notice and hearing, and the Commission may, and hereby does, waive protest proceedings entirely.

- 3. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.
- 4. The affected territory consists of 40± acres, is uninhabited, and is assigned the following short form designation: "Annexation No. 2018-11 to the Los Angeles County Waterworks District No. 37, Acton".
- 5. Annexation No. 2018-11 to the Los Angeles County Waterworks District No. 37, Acton is hereby approved, subject to the following terms and conditions:
  - a. Lester K. Knox agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.



- b. The effective date of the annexation shall be the date of recordation of the Certificate of Completion with the Los Angeles County Registrar-Recorder/County Clerk.
- c. Recordation of the Certificate of Completion shall not occur prior to the conclusion of the 30-day reconsideration period provided under Government Code § 56895.
- d. All fees due to LAFCO, the County of Los Angeles (including, but not limited to, fees owed to the County Assessor and/or the Registrar-Recorder/County Clerk), and the State of California Board of Equalization; shall be paid by the Applicant, in full, prior to LAFCO's filing the Certificate of Completion. Failure to pay any and all fees due to LAFCO, the County of Los Angeles, and the State Board of Equalization, within one year of the Commission approval of this change of organization/reorganization, will result in the change of organization/reorganization being terminated pursuant to Government Code §57001 unless, prior to expiration of that year, the Commission authorizes an extension of time for that completion.
- e. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.
- f. The regular County assessment roll shall be utilized by the District.
- g. The affected territory will be taxed for any existing general indebtedness, if any, of the District.

- h. Annexation of the affected territory described in Exhibits "A" and "B" to the District.
  - i. The map and geographic description of the affected territory shall comply with all requirements of LAFCO, the Los Angeles County Registrar-Recorder/County Clerk, and the State of California Board of Equalization. If LAFCO, the Los Angeles County Registrar-Recorder/County Clerk, and/or the State of California Board of Equalization require changes, the map and geographic description shall be revised and all associated costs shall be the responsibility of the applicant.
  - j. Except to the extent in conflict with "a" through "i", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this annexation.
- 6. The Commission hereby orders the uninhabited territory described in Exhibits "A" and "B" annexed to the District.
- 7. Pursuant to Government Code 56883, the Executive Officer may make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.
- 8. The Executive Officer is directed to transmit a copy of this resolution to the District, upon the District's payment of the applicable fees required by Government Code Section 54902.5 and prepare, execute and file a certificate of completion with the appropriate public agencies, pursuant to Government Code Section 57200, *et seq.*

PASSED AND ADOPTED this 13<sup>th</sup> day of November 2019.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

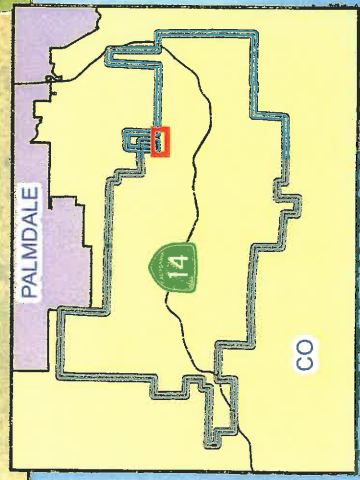
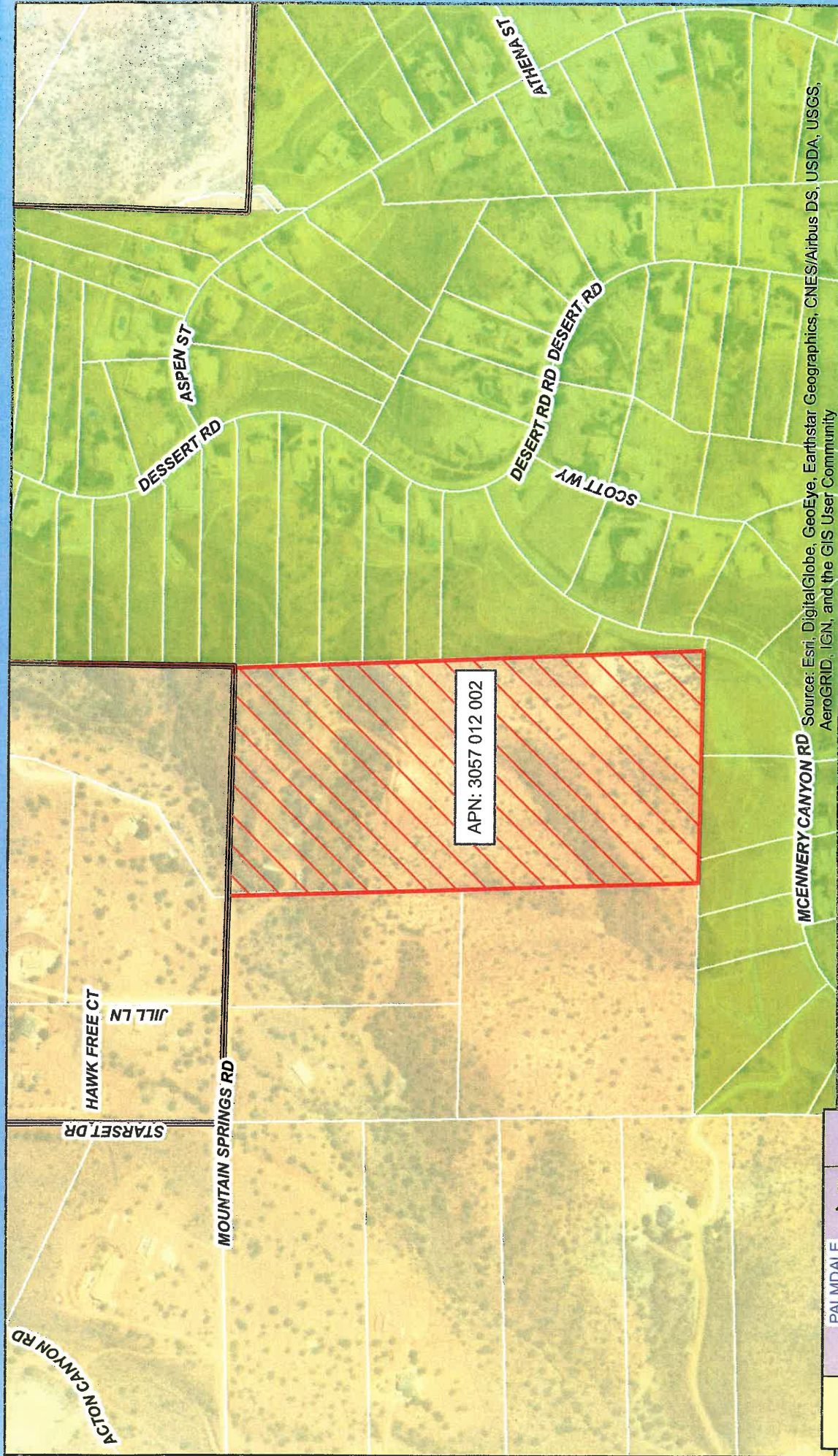
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**LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES**

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


**Paul A. Novak, AICP  
Executive Officer**





# **Annexation 2018-11** **Los Angeles County Waterworks** **District 37, Acton**

## **Legend**

-  Annexation 2018-11
-  City of Palmdale
-  County Unincorporated
-  Los Angeles County Waterworks District 37, Acton
-  SOI County Waterworks Dist. No. 37

**LAFCO**  
 Local Agency Formation Commission  
 for the County of Los Angeles



November 13, 2019



## **Staff Report**

**November 13, 2019**

### **Agenda Item No. 9.a.**

#### **Interview Alternate Public Member Finalist and Appoint Alternate Public Member**

The Commission interviewed five (4) finalists for the Alternate Public Member at your October 16<sup>th</sup> Meeting. At that meeting, the Commission voted to interview the one (1) remaining finalist at today's meeting; staff confirmed with the finalist that she is available for today's interview).

At your October 16, 2019 Meeting, the Commission interviewed four (4) finalists for the Alternate Public Member vacancy. At that meeting, the Commission continued the item to today's agenda to allow the Commission to interview the one (1) remaining finalist and deliberate and vote to appoint a new Alternate Public Member. Staff confirmed with the finalist that she is available for today's interview.

#### Recommended Action:

Staff recommends that the Commission:

1. Interview the one (1) finalist for the Alternate Public Member vacancy; and
2. Deliberate and vote to appoint a new Alternate Public Member.

## **Staff Report**

**November 13, 2019**

### **Agenda Item No. 9.b.**

#### **Recommendation to Award Contract to Consultant for the Consolidated Fire Protection District of the County of Los Angeles Municipal Service Review and Sphere of Influence Update**

At its July 10, 2019 meeting, the Commission directed staff to issue a Request for Proposal (RFP) for the Consolidated Fire Protection District (CFPD) Municipal Service Review (MSR) and Sphere of Influence (SOI) Update. The RFP was issued October 7, 2019 and responses were due October 30, 2019. At the close of the solicitation period, one proposal was received. RSG, Inc. submitted the sole proposal in response to the RFP.

LAFCO staff formed an Evaluation Committee composed of the LA LAFCO Executive Officer, the LA LAFCO Deputy Executive Officer, and the San Bernardino LAFCO Senior Analyst. The bidder was evaluated and scored consistent with the RFP's evaluation criteria, which included cost, the proposer's work plan, qualifications, and project schedule. The Evaluation Committee has determined that the most responsible and responsive bidder is RSG, Inc.

At this time, staff is recommending the Commission authorize the award of a contract to RSG, Inc. as the firm to prepare the Municipal Service Review and Sphere of Influence Update for the Consolidated Fire Protection District of the County of Los Angeles and authorize the Executive Officer to negotiate and execute a professional services agreement.

#### **Recommended Action:**

Staff recommends that the Commission:

1. Select RSG, Inc. to prepare the Consolidated Fire Protection District Municipal Service Review and Sphere of Influence Update, as described in the RFP Scope of Services and the subsequent proposal "Municipal Service Review and Sphere of Influence Update of the Consolidated Fire Protection District of the County of Los Angeles" submittal date of October 30, 2019;
2. Authorize the Executive Officer to execute the professional services agreement with RSG, Inc., which will be substantially in the form attached, in an amount not to exceed \$108,565; with said agreement being approved as to form by LAFCO Counsel.



## PROPOSAL

### MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF THE COUNTY OF LOS ANGELES



**RSG**

**BETTER COMMUNITIES.  
BOLDER FUTURES.**

17872 GILLETTE AVE STE 350  
IRVINE, CA 92614

[WWW.WEBRSG.COM](http://WWW.WEBRSG.COM)

Jim Simon, Principal  
714.316.2120/jsimon@webrsg.com  
October 30, 2019

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October 30, 2019

Adriana Romo, Deputy Executive Officer  
Local Agency Formation Commission for the County of Los Angeles  
80 South Lake Avenue, Ste. 870  
Pasadena, CA 91101  
aromo@lalafco.org

**PROPOSAL FOR CONSULTING SERVICES - MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF THE COUNTY OF LOS ANGELES**

Dear Ms. Romo:

In response to your October 7, 2019 Request for Proposals, RSG is pleased to present the enclosed proposal for consulting services to prepare the municipal service review and sphere of influence update of the Consolidated Fire Protection District of the County of Los Angeles.

Our team consists of seasoned professionals with substantial research and analytical skills. Our approach focuses on cost-effectively equipping LAFCOs and affected agencies with the data and information necessary to establish updated Spheres of Influence and, perhaps more importantly, initiate special district reorganizations and prepare the necessary "Plans for Providing Services" under Government Code Section 56653.

RSG is an active member of, and recent presenter for, the California Association of Local Agency Formation Commissions (CALAFCO) and is regarded as a leading fiscal consulting firm. Our most recent work includes incorporation fiscal analyses for Placer LAFCO and San Bernardino LAFCO, a reorganization (incorporation, annexation and CSD) study for Malaga County Water District, an infill annexation study for the City of Belmont, advising and assisting with an annexation plan with Nevada City on the Nevada LAFCO SOI update, and a General Fund sustainability model for the City of Irwindale.

Sincerely,



Jim Simon  
Principal



## COMPANY PROFILE

**RSG** is a creatively charged counterpart to California public agencies. We work with the people responsible for creating vibrant places to accomplish their goals. The inspired leaders at RSG create stronger communities capable of achieving bolder futures by bringing more than three decades of native knowledge to each engagement.

As diverse as the agencies we work with, our services span real estate, economic development, fiscal health, and housing initiatives.

### ABOUT THE FIRM

RSG, Inc. is a California-based, Subchapter "S" corporation. Founded in 1979, the firm provides a wide array of community development consulting services to local government organizations and private entities. The firm is managed by principals: Jim Simon and Tara Matthews.

RSG's headquarters are in Irvine, CA with two additional offices in Vista, CA & Berkley, CA.

**RSG is also a California certified Small Business Enterprise (SBE - 2006876 DGS).**

### MISSION STATEMENT

RSG creates solutions to enhance communities' physical, economic, and social future.

### CORE VALUES

Our core values define who we are as people and the standards by which we provide service to our clients. At RSG, we:

- Craft Sincere Relationships
- Only See Opportunities
- Are Driven by Determination
- Make Investments in Ourselves
- Value the Wisdom of our Clients



## PROFESSIONAL QUALIFICATIONS, EXPERIENCE AND REFERENCES

RSG's deep knowledge and years of experience in the public sector allow us to assist local government agencies in delivering services at higher levels, more efficiently, and at reduced costs. Using our experience in working with over 100 public jurisdictions, we assist leaders in making critical decisions by providing thorough analysis and recommendations. Through our interim staffing services, we assist managers and department heads in performing basic services, plan for contingencies, and design processes in the context of shifting fiscal and policy constraints.

RSG understands the legal framework for how local government agencies must function, the array of regulations and apportionment methodologies on local revenues, and the management and political challenges that must be balanced in each jurisdiction. We take great pride in our ability to discover the different priorities, expectations, and challenges in communities where we work, and develop an implementable plan for services that is specific to each of our clients.

RSG has provided cutting-edge solutions for local government agencies, including outsourcing, shared service studies, and long-range fiscal planning. We have helped LAFCOs develop policies for island annexations and have worked with cities on crafting a viable path in delivering services to areas in their sphere of influence. We have helped cities understand how they need to restructure the services they deliver, and the manner in which they evaluate how they will take discretionary actions in the future. With our assistance, our clients have been able to instill more fiscal discipline at all levels of their organization, become more effective, and have staff engaged in identifying solutions that meet the strategic needs of their community.

RSG has an intimate knowledge of LAFCO's mission and purpose, including the legislative intent behind Municipal Services Reviews (MSRs) and periodic Sphere of Influence (SOI) updates. Our team members were there when the Hertzberg Commission on Local Governance for the 21st Century (CLG21) first contemplated the concept of MSRs, when the CLG21 vetted the idea with local government stakeholders, and when MSRs were written into law in 2000 through AB 2838 (Chapter 761, Statutes of 2000).

Since then, we have both participated in and observed how MSRs have unfolded, including changes to the MSR statute and how LAFCOs have implemented MSRs in a variety of manners. In some situations, a lack of growth pressure or lack of significant changes in service levels do

not warrant an extensive review and a “checklist” approach is sufficient to reaffirm an existing SOI. In other situations, a comprehensive, in-depth analysis of demographic trends, financial data, infrastructure capacity/conditions, rate structures, service extension barriers for “disadvantaged unincorporated communities,” and shared service delivery alternatives is warranted to lay the groundwork for SOI updates and/or imminent changes of (re)organization. And in other situations, there may be a political minefield and the MSR is a necessary tool that allows LAFCO to play independent facilitator and evaluator and bring parties together around common data and agreement points.

Whatever the situation, we are adept at collaborating with LAFCO staff and conducting our due diligence activities in a manner that allows us to tailor our approach and scope of analysis to ensure LAFCO meets its legislative charge while creating meaningful baseline information that can help all local decision-makers make better informed and balanced decisions, whether that be the Commission itself, or its constituent agencies.

## **EXPERIENCE AND REFERENCES**

The projects below were led by the members of the team assembled for this proposal. We encourage you to contact our references or follow up with additional questions.

### **FOCUSED MUNICIPAL SERVICE REVIEW FOR ORANGE COUNTY SANITATION DISTRICT SERVICE AREA 7 – ORANGE COUNTY LAFCO (2014 to 2016)**

As Project Manager for the Orange County Local Agency Formation Commission, Ben Legbandt prepared a detailed municipal service review focusing on two cities and three special districts, providing the technical foundation for LAFCO approval of the annexation of 7,777 acres to a water district. A collaborative and multi-year effort, the Focused MSR was developed in response to competing applications submitted by two local water districts. From 2014 to 2016, Ben analyzed data, prepared GIS maps, conducted community workshops and prepared the administrative and final draft MSR. The Focused MSR reviewed the existing condition of sewer infrastructure and timing of future infrastructure replacement, available cash reserves for capital outlay and emergency response, current and projected sewer fee rates, staffing levels, and alternative service delivery methods (including contractual service arrangements). The MSR process was collaborative and involved multiple opportunities for input from the affected agencies and the public, including two community workshops held within the affected area and several LAFCO public hearings. OC LAFCO’s evaluation, including the MSR determinations, was utilized in the Commission’s subsequent consideration of the proposed applications.

CONTACT: Carolyn Emery, Executive Officer  
AGENCY: Orange County LAFCO  
ADDRESS: 2677 N. Main Street, Suite 1050, Santa Ana, CA 92705  
EMAIL: cemery@oclafco.org  
PHONE: 714.640.5100

### **COMPREHENSIVE FISCAL ANALYSIS, OLYMPIC VALLEY – PLACER LAFCO (2015 to 2016)**

RSG was retained by Placer LAFCO in 2015 to prepare a comprehensive fiscal analysis for the incorporation of Olympic Valley, located in eastern Placer County near Lake Tahoe. The fiscal analysis entailed evaluation of a particularly unique community – one with a very small permanent resident population (less than 1,000 full-time residents) and a very large seasonal population (by some measures at least 10,000), coupled with a relatively substantial expansion of the Squaw Valley Resort with additional lodging, commercial, and recreational uses that was concurrently being processed by the County Planning Department. The fiscal analysis concluded that the Town would not likely be feasible for incorporation for many reasons, which

led to several contentious meetings with a divided community. Unique to this process was a pre-emptive request for the CFA review prior to the public review draft being released to the public. The State Controller upheld the CFA findings after which the incorporation proponents withdrew their application for incorporation.

CONTACT: Kris Berry, Executive Officer  
AGENCY: Placer LAFCO  
ADDRESS: 110 Maple Street, Auburn, CA 95603  
EMAIL: kberry@placer.ca.gov  
PHONE: 530.889.4097

#### **FISCAL HEALTH MODEL – CITY OF IRWINDALE (2017 to 2018)**

RSG developed a fiscal health model to allow the City of Irwindale Finance Department to forecast revenues and expenditures based on a variety of user-defined scenarios. This model enables Irwindale to consider long term implications of short-term fiscal and budget policies, plan for OPEB and pension outflows, and forecast the benefits of economic development activities. RSG also frequently prepared forecasts of potential revenues stemming from near-term development in the City, and previously completed a **comprehensive review of Irwindale's business license fee** to ensure it was both appropriate and competitive.

CONTACT: Eva Carreon  
AGENCY: City of Irwindale  
ADDRESS: 5050 N. Irwindale Avenue, Irwindale, CA 91706  
EMAIL: ecarreon@ci.irwindale.ca.us  
PHONE: 626-430-2221

#### **WATER DISTRICTS MUNICIPAL SERVICE REVIEW – YOLO LAFCO (2013 to 2014)**

In October 2013, RSG prepared a municipal services review and sphere of influence study for the three water districts in Yolo County (Dunnigan Water District, the Yolo-Zamora Water District, and the Yolo County Flood Control and Water Conservation District). Over the course of an eight-month engagement, RSG conducted in-person meetings with individual agency representatives and other stakeholders, compiled and analyzed data, and prepared GIS maps along with the administrative and final draft MSR. The MSR findings included recommendations to modify and expand SOI boundaries for two districts, and a “zero” SOI boundary for a third district proposed for dissolution. As part of this process, RSG presented our findings at the LAFCO Hearing. A copy of our final report is available at the Yolo LAFCO website.

CONTACT: Christine Crawford, Executive Officer  
AGENCY: Yolo LAFCO  
ADDRESS: 625 Court Street, Suite 203, Woodland, CA 95695  
EMAIL: christine.crawford@yolocounty.org  
PHONE: 530.666.8048

#### **DESERT HEALTHCARE DISTRICT ANNEXATION – DESERT HEALTHCARE DISTRICT (2017)**

Shortly after the Governor signed Assembly Bill 2414 requiring the Desert Healthcare District to submit an application and plan for services to expand its service area to add nearly 1,800 square miles of populated territory in east Coachella Valley (Riverside County), RSG was retained as part of a consultant team to prepare a fiscal analysis of the implications of the proposal. Under AB 2414, a plan for services and fiscal analysis was required to be submitted to Riverside LAFCO in January 2017, less than 6 weeks from the date our firms were retained to perform these services. RSG evaluated the existing revenue and expenditure model, which

is comprised of a contract with a private provider for operation of the regional medical center and other grants and programs administered directly by the District, estimating the potential cost of such services based on an assumed comparable level of services needed in the proposed annexation area, and identifying and evaluating the financial and political feasibility of various operating revenue generating options.

CONTACT: D. Chris Christensen, Chief Financial Officer  
AGENCY: Desert Healthcare District  
ADDRESS: 1140 N Indian Canyon Dr, Palm Springs, CA 92262  
CONTACT: cchristensen@dhcd.org  
PHONE: 760.323.6365

#### **ANNEXATION POLICY AND SOI UPDATE ASSISTANCE – THE CITY OF NEVADA CITY (2017 to 2018)**

In 2017, RSG was retained by the City of Nevada City to respond on their behalf to a proposal to reduce the City's sphere of influence prior to preparation of an MSR update by Nevada LAFCO. As part of this process, RSG assisted in the drafting of an annexation policy on behalf of the city to address concerns regarding the timing and feasibility of the City assumption of services in unincorporated areas in the surrounding foothills of the town. In addition, RSG assisted staff review LAFCO materials, participated with staff on the presentation of the City's policy and concerns to the Commission later that year. LAFCO ultimately decided to factor in the City's concerns and is currently in the process of undertaking environmental review of the proposed SOI boundary revisions.

CONTACT: Catrina Olson, City Manager  
AGENCY: City of Nevada City  
ADDRESS: 317 Broad Street, Nevada City, CA 95959  
EMAIL: catrina.olson@nevadacityca.gov  
PHONE: 530-265-2496



## CONSULTING TEAM PERSONNEL

RSG's consulting team will consist primarily of Jim Simon, Principal and Engagement Manager; Brandon Fender, Associate and Project Manager, Matthew Pelletier, Research Assistant. Brief descriptions of the team's qualifications are presented below:

### **JIM SIMON, PRINCIPAL AND ENGAGEMENT MANAGER**

Jim Simon has provided hands-on attention to his clients and projects for the past 28 years. Jim specializes in projects entailing real estate, economic development, and fiscal health. Among his career accomplishments include preparation of several comprehensive fiscal analyses for incorporation of new cities throughout California, annexation studies ranging from a few parcels to several thousand acres, and project-level fiscal studies for specific development programs. Under Jim's leadership, the firm created a "Fiscal DNA" model providing elected officials, staff, and the general public an easy-to-understand measurement of each city's relative revenue composition – this tool has been useful for cities to consider fiscal implications of development projects, understand economic development priorities, and make other strategic decisions. Jim has led studies for LAFCOs, cities and special districts, including the comprehensive fiscal analyses for incorporation of Olympic Valley and Oakhurst, the initial fiscal analyses for incorporation of Heber and Saddleback Canyon, and the annexation feasibility of several communities, including Thousand Palms (Riverside County), Folsom/Sunrise (Sacramento County), and South Oroville (Butte County).

Jim is a participating member of CALAFCO, having spoken in the October 2016 CALAFCO Annual Conference on the topic of incorporations and the fiscal challenges that new cities face. Jim earned his Bachelor's in Business Administration from California State University, Fullerton.

### **BRANDON FENDER, ASSOCIATE**

Brandon Fender specializes in providing support in real estate feasibility, economic and fiscal impact analyses, and housing administration. Some of Brandon's recent experience with the firm includes providing technical assistance to the City of Los Angeles where he assessed the feasibility, fiscal and economic impacts of the development of the proposed 1.7-million square foot mixed use Grand Avenue tower project designed by Frank Gehry.

Brandon also assisted the City of San Carlos with feasibility analyses and redevelopment of industrial and commercial space ultimately resulting in a 200-room midscale hotel at the City's Landmark site. Additionally he analyzed the financial feasibility, and fiscal and economic impacts associated with the proposed development the 600,000 square foot Westfield Topanga regional mall on behalf of the City of Los Angeles and completed an economic and market analysis for the City of Carlsbad's comprehensive General Plan update, which sought to understand projected changes in job, economic base, retail, shopping, hotel and tourism, and business climate trends over a 30-year period.

Brandon initially joined RSG in 2009 while attending the University of California, Irvine where he earned a BA in Social Ecology. As a member of numerous project teams, Brandon has gained experience in housing administration, economic and market analyses, housing construction and development, municipal finance, and development feasibility.

#### **MATT PELLETIER, RESEARCH ASSISTANT**

Matthew Pelletier has a background in Municipal Finance and financial modeling. His experience working alongside municipalities allows him to offer great insight to provide solutions to his clients' everchanging problems. Some of Matt's recent experience with the firm includes assisting in the preparation of successor agency annual reports for the cities of Apple Valley, Atwater, Murrieta, Tulare, and Pico Rivera, performing property tax analysis for the development of an apartment building in the City of San Diego, assisting with CFD arbitrage calculations for the City of Hawthorne and performing Affordable Housing Compliance monitoring and inspections for properties in the City of Moreno Valley.

Matthew holds a Bachelor's Degree in Business Administration with a concentration in Finance from the University of California, Riverside. He acquired a strong analytical skillset through coursework in corporate finance and security analysis.

Other staff may be assigned as needed. Resumes for the staff identified in this proposal may be found on the following pages as well with all staff resumes available on our website at [www.webrsg.com](http://www.webrsg.com).

**SUBCONSULTANT** - RSG will not be utilizing the services of a subconsultant for this project.





# JAMES SIMON

PRINCIPAL/PRESIDENT

## PROFILE

"I'm driven to help local government capitalize on community development opportunities. The work is not static. I enjoy adapting my style, pace and approach to the specific needs of my clients and their communities."

## CONTACT

PHONE:  
714-316-2120

WEBSITE:  
[www.webrsg.com](http://www.webrsg.com)

EMAIL:  
[jsimon@webrsg.com](mailto:jsimon@webrsg.com)

## OUT & ABOUT

"Layered Financing: Funding Projects Today" – CALED/Annual Conference

"Creating an Economic Development Strategy" – OCED/Southern California Economic Dev Symposium

"Real Estate Development & Reuse" – CALED/Introduction to Economic Development

"Components of an Economic Development Strategy" – CSAC/Economic Development and Opportunities for Counties

## ABOUT JAMES

Inspired to improve the Golden State in his work, Jim delivers intelligence, innovation and passion to projects requiring his unparalleled expertise in fiscal health, real estate and economic development. For nearly 25 years, Jim is proud to have led projects that have resulted in the investment of over \$3 billion in private and public capital, transforming cities and communities across California. As President of RSG, Jim is helping to shape the next generation of the firm's legacy - leading RSG's team of inspired, creative and insightful consultants that serve over 100 communities each year.

## EDUCATION/BACKGROUND

Jim joined RSG in 1991 and has served as a Principal and shareholder since 2001. He received a BA in Business Administration with a concentration in entrepreneurial management from California State University, Fullerton. In 2014, Jim was selected as an Advisory Board member of the California Association for Local Economic Development, where he serves on the Legislative Action Committee and the Tax Increment Financing Committee. Jim is also active member of the International Council of Shopping Centers (ICSC) and the National Association of Office and Industrial Properties (NAIOP) as well as other professional organizations.

## RECENT ENGAGEMENTS

Led acquisition, financing, and redevelopment of a 4-acre Brownfield in San Carlos resulting in development of a 200-room upper midscale hotel and a 120% internal rate of return on the City's investment.

Negotiated and structured terms and conditions of a workforce housing development in Goleta which was recognized by the American Planning Association's Central Coast Chapter as a "Hard Won Victory."

Analyzed and developed deal terms for a disposition and development agreement for a public-private partnership of a \$70 million mixed use project in downtown San Carlos.

Analyzed and developed framework for a subvention agreement between the City of Los Angeles and Westfield for development of a \$350 million destination lifestyle center in west San Fernando Valley.





## PROFILE

"I enjoy creating equitable and sustainable urban space for communities. I thrive in a challenging environment and seek to provide innovative solutions."

## CONTACT

PHONE:  
714-316-2116

WEBSITE:  
[www.webrsg.com](http://www.webrsg.com)

EMAIL:  
[bfender@webrsg.com](mailto:bfender@webrsg.com)

## OUT & ABOUT

Non-Profit Housing of California

San Diego Housing Federations

# BRANDON FENDER

## ASSOCIATE

### ABOUT BRANDON

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Mr. Fender specializes in providing support in real estate feasibility, economic and fiscal impact analyses, and housing administration. He is most engaged when his research translates to solutions for local governments and access to healthy and safe environments for their citizens.

### EDUCATION/BACKGROUND

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Mr. Fender initially joined RSG in 2009 while attending the University of California, Irvine where he earned a BA in Social Ecology. As a member of numerous project teams, Mr. Fender gained experience in housing administration, economic and market analyses, housing construction and development, municipal finance, and development feasibility. In 2014, Mr. Fender and his wife opened a small independent craft brewery in Santa Ana. Having spent some time in beer production, retail operations and wholesaling, Mr. Fender returned to RSG in 2019.

### RECENT ENGAGEMENTS

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Provided technical assistance to the City of Los Angeles, assessing the feasibility, and fiscal and economic impacts of the development of the proposed 1.7-million square foot mixed use Grand Avenue tower project designed by Frank Gehry.

Assisted the City of San Carlos with feasibility analyses and redevelopment of industrial and commercial space ultimately resulting in a 200 room midscale hotel at the City's Landmark site.

Analyzed the financial feasibility, and fiscal and economic impacts associated with the proposed development the 600,000 square foot Westfield Topanga regional mall on behalf of the City of Los Angeles.

Completed an economic and market analysis for the City of Carlsbad's comprehensive General Plan update that sought to understand projected changes in job, economic base, retail, shopping, hotel and tourism, and business climate trends over a 30-year period.



# MATTHEW PELLETIER

RESEARCH ASSISTANT

## PROFILE

"I enjoy helping municipalities develop exciting communities that will bring a lasting, positive impact to these communities and the residents that live within them."

## CONTACT

PHONE:  
714-316-2119

WEBSITE:  
[www.webrsg.com](http://www.webrsg.com)

EMAIL:  
[mpelletier@webrsg.com](mailto:mpelletier@webrsg.com)

## OUT & ABOUT

San Diego Housing Federation

Non-Profit Housing Association of  
Northern California

## ABOUT MATTHEW

Matthew joined RSG in 2019 bringing with him a background in Municipal Finance and financial modeling. His experience working alongside municipalities allows him to offer great insight to provide solutions to his clients' everchanging problems.

## EDUCATION/BACKGROUND

Matthew holds a Bachelor's Degree in Business Administration with a concentration in Finance from the University of California, Riverside. He acquired a strong analytical skillset through coursework in corporate finance and security analysis.

## RECENT ENGAGEMENTS

Assisted in the preparation of successor agency annual reports for the cities of Apple Valley, Atwater, Murrieta, Tulare, and Pico Rivera.

Performed property tax analysis for the development of an apartment building in the City of San Diego.

Assisted with CFD arbitrage calculations for the City of Hawthorne.

Performed Affordable Housing Compliance monitoring and inspections for properties in the City of Moreno Valley.



## APPROACH TO THE PROJECT

RSG's approach focuses on cost-effectively equipping LAFCO and affected agencies with the data and information necessary to review and update spheres of influence, engage in long-term planning for fire services, and provide a complete overview of services throughout the Consolidated Fire Protection District of the County of Los Angeles ("CFPD"). RSG has an intimate knowledge of LAFCO's mission and purpose, including the legislative intent behind MSRs and periodic SOI updates.

The RSG consulting team will analyze socio-demographic trends, financial data, community needs, infrastructure capacity/conditions, and service delivery alternatives warranted to lay the groundwork for the MSR and SOI determinations required by state law. We are adept at collaborating with LAFCO staff and engaging local agencies and the public in a manner that ensures LAFCO meets its legislative charge while creating meaningful and current information that can help all local decision-makers make better informed and balanced decisions, whether that be the Commission itself or its constituent agencies.

RSG will provide a complete updated MSR reviewing the affected agencies. RSG will review each agency's sphere of influence area in accordance with California Government Code Sections 56425 and 56430 and LAFCO's local guidelines. The MSR will be designed to: (1) meet the requirements of the law for LAFCO to conduct periodic MSRs and SOI updates, specifically with respect to the urban and rural fire protection services provided by CFPD to existing local agencies and five possible fee-for-service agencies (La Verne, Manhattan Beach, Redondo Beach, San Gabriel, and Vernon).

RSG does not anticipate any changes to the draft scope as prepared by LAFCO staff. RSG is flexible and can accommodate future changes to the current draft scope revealed in more detailed discussions with staff.

### SCOPE OF WORK

To prepare the required MSR and SOI determinations and recommendations, and to ensure a comprehensive overview of fire protection services within the CFPD sphere of influence and that of the five possible fee-for-service agencies, RSG will analyze the following areas of relevance:

### Municipal Service Review Criteria Detail

- (1) *Growth and population projections for the affected area:* RSG will analyze current and future population and demographic characteristics as related to the service plans and delivery for existing and proposed service areas of CFPD, including the five possible fee-for-service agencies. Analysis will include discussion of how CFPD and the five potential new communities are planning to meet future needs given anticipated demographic trends and population projections.
- (2) *The location and characteristics of any disadvantaged unincorporated communities (DUCs) within or contiguous to the SOL:* RSG will work with LAFCO staff to analyze and review DUCs within the affected areas.
- (3) *Present and planned capacity of public facilities and adequacy of public services, adequacy of public services, infrastructure needs or deficiencies related to structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.:* Existing facility and infrastructure will be categorized and analyzed to determine present sufficiency and future requirements.
- (4) *Financial ability of agencies to provide services:* A detailed analysis will be conducted on the present and future capacity of the affected agencies to support the current and future servicing needs of the service areas, including the possible fee-for-service areas. RSG would also recommend analyzing here the impact of wildfires at the urban interfaces and how CFPD services may be affected with the anticipated increase in wildfires resulting from climate change and other factors.
- (5) *Status of, and opportunities for, shared services:* RSG will analyze existing facilities and service areas for duplication of efforts and to address potential economies of scale to be gained by alternative governance options.
- (6) *Accountability for community service needs, including governmental structure and operational efficiencies:* A review of the current government structure of the CFPD would be conducted, including the impact of any change in board composition as a result of inclusion of additional fee-for-service agencies.
- (7) *Any other matter related to effective service delivery, as required by commission policy.*

### Sphere of Influence Detail

- (1) *Present and planned land uses, including agricultural and open-space lands:* RSG will perform an analysis of existing and future land use designations and compatibility with local general plans. Analysis will include protection of prime agricultural, open space and recreational public benefit land use designations.
- (2) *Present and probable need for public facilities and services:* A review of present service provision and facilities, and analysis of present capacity to support future requirements for each agency will be conducted. Consideration will be given to the ability of accommodating future expansion or service area/program reductions while maintaining or increasing efficiencies.

- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide:* RSG will review the present infrastructure, facilities, and service programming and analyze each agency's ability to assess and address local service demands.
- (4) *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency:* RSG will review existing socio-economic communities of interest for each agency to determine current service deficiencies/challenges and opportunities to address the needs of each community while planning for the future.
- (5) *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g)\* on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.:* A review of each city/community service district, the County and similar service providers in proximity to each agency to identify potential economies of scale that may be gained by future boundary changes or alternative governance structures.

### **Task 1: Project Initiation**

RSG will arrange a kick-off meeting with LAFCO staff within (30) days of contract commencement. This meeting will cover the collective understanding of the scope of work for the project, project objectives and possible outcomes, assignment or roles and responsibilities, and identify and agree upon the communication methods and frequency that will be expected throughout the duration of the contract. With the directions of LAFCO, RSG will also initiate discussions with key CFPD staff, as well as officials from the five-potential fee-for-service agencies.

### **Task 2: Data Collection and Review**

To fully understand key historical factors and current issues involving the fire protection services prior to commencing work, RSG will conduct an initial working session with LAFCO staff to finalize the project scope and process and formalize overall study objectives, schedules, policy and fiscal criteria, service standards, and the roles and responsibilities of RSG and LAFCO staff.

RSG will work with LAFCO staff to finalize a work plan and schedule of the major activities involved in the process, including anticipated delivery and completion dates as well as a protocol for regular check-in conversations or email updates with LAFCO staff. The engagement will be managed through ongoing teleconferences, status reports, and maintenance of the project database and schedule. RSG will work with LAFCO staff to develop and distribute requests for information, verify the information received from local agencies, and compile that information in a user-friendly database that will be accessible to LAFCO staff. Once the data is compiled and evaluated, RSG would prepare agency profiles and assemble key observations in a preliminary summary memo to LAFCO staff, along with any supporting material, and conduct a conference call to discuss any LAFCO comments or concerns.

*Timing and work products: On or before February 28, 2020, Consultant shall deliver to LAFCO staff complete information for each agency.*

### **Task 3: Administrative Draft and Review of MSR Report**

Based on Task 1, RSG will prepare an Administrative Draft MSR report for review by LAFCO staff. The report will address the LAFCO determinations required by CKH Sections 56425 and 56430, and additional factors/criteria established by local LAFCO policy and guidelines. The report will be sent electronically to LAFCO staff for review prior to an in-person meeting to discuss LAFCO staff's comments and edits. RSG will incorporate comments, edits, and corrections prior to distribution of the Administrative Draft to affected agencies for review and comment by agency staff. RSG will hold conference calls with LAFCO staff and local agencies to review the comments received and revise the report as directed by LAFCO staff.

*Timing and work products: On or before March 30, 2020, Consultant shall deliver to LAFCO staff an administrative draft MSR.*

### **Task 4: Public Draft and Review of MSR Report**

Based on Tasks 1 and 2, RSG will prepare a Public Review MSR report with updated information addressing comments received from the districts and County. Three hard copies, plus an electronic version, will be sent to LAFCO staff for review. RSG will hold a conference call with LAFCO staff to review the report and LAFCO staff's comments/edits. RSG will incorporate comments, edits, and corrections and submit the Public Review MSR report to LAFCO for distribution to the Commission, affected agencies, and the public. One hard copy, plus an electronic version, will be sent to LAFCO staff for transmittal to the Commission and interested agencies. RSG will attend a Commission meeting to provide a summary presentation of the report, discuss issues and concerns, and respond to questions.

*Timing and work product: On or before April 30, 2020, Consultant shall deliver to LAFCO a Public Review MSR (Word and PDF formatted versions)*

### **Task 5: Completion of Final MSR Report**

RSG will prepare a comment log and incorporate comments, edits, and corrections from the Commission, affected agencies, and the public for the Final Draft and submit it to LAFCO for distribution to the Commissioners. One hard copy, plus an electronic version, will be sent to LAFCO staff for transmittal to the Commission and interested agencies. RSG will attend a Commission meeting to provide a summary presentation of the final report, discuss issues and concerns, and respond to questions. Upon approval, RSG will transmit one hard copy and an electronic version of the final-approved report to LAFCO staff and assist LAFCO staff in circulation and posting on the LAFCO website.

*Timing and work product: On or before May 30, 2020, Consultant shall deliver to LAFCO a MS Word formatted and PDF formatted version of the Final MSR report.*

A completed Project Schedule (Attachment 2) provided in the RFP can be found on page 17 of the proposal.

### **ASSISTANCE NEEDED FROM CLIENT**

RSG understands that the LAFCO Executive Officer has a keen interest in this project and would work closely with staff throughout the process of collecting data, researching, and preparing the MSR. We understand that LAFCO may have already initiated some of the initial data collection activities as well.

RSG is a full-service consulting firm, capable not only of producing the quality work products our clients expect for nearly 40 years, but also providing our clients regular updates and even staff-level assistance on the processing of our reports. This can include preparation of notices, presentations, and staff reports. We feel we work best in environments where we are an extension of your staff.



ATTACHMENT 2

<b>TASK</b>	<b>DESCRIPTION</b>	<b>COMPLETION DATE</b>
<b>1.</b>	Projection Initiation	12/31/2019
<b>2.</b>	Data Collection	02/28/2020
<b>3.</b>	Administrative Review Draft of MSR	03/30/2020
<b>4.</b>	Public Review Draft of MSR	04/30/2020
<b>5.</b>	Final MSR Completed	05/30/2020



## ANTICIPATED PROJECT COST

RSG is proposing to charge for these services on a time-and-materials basis, not to exceed **\$108,565**, as itemized on the **Cost/Pricing Sheet (Attachment 1)** provided in the RFP, which can be found on page 19 of the proposal. We have also provided an additional cost sheet breaking down the cost by sub task, which can be found on page 20 of the proposal.

RSG's billing rates are set forth below:

Principal	\$ 275
Senior Associate	\$ 200
Associate	\$ 185
Senior Analyst	\$ 150
Analyst	\$ 135
Research Assistant	\$ 125
Reimbursable	Cost plus
Expenses	10%

**RSG does not charge clients for travel or mileage** (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs, and teleconferencing services. We also charge for copies of reports, documents, notices, and support material in excess of five copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended, and the hourly rate.

Pricing Sheet  
Attachment 1

PROPOSER NAME: RSG, Inc.				
POSITION TITLE:	Principal	Associate	Research Assistant	
No. of Hours:	114	189	338	
<b>Task Description</b>				
Task 1: Project Initiation	6	6		
Task 2: Data Collection and Review	74	84	213	
Task 3: Administrative Review Draft of MSR	18	85	118	
Task 4: Public Review Draft of MSR	10	9	2	
Task 5: Completion of Final MSR	6	5	5	
Total Hours	114	189	338	
Hourly Rate	\$275	\$185	\$125	
Sub-total				
Additional Costs List (i.e. Additional Community Meeting)				
Total Costs	\$31,350	\$34,965	\$42,250	

Scope of Services		Task Hours & Billing Rate				Reimb.	Total
MSR / SOL Update - Consolidated Fire Protection District Los Angeles LAFCO (October 2019)		Principal	Associate	Res. Asst	Total Hrs		Not to Exceed
<b>Task 1</b>	<b>Data Collection and Review</b>	80	90	213	383	\$ -	\$ 65,275
<i>Interact with LAFCO, CFPD and proposed fee cities affected, review pertinent studies</i>							
Task 1.1	Kickoff Scoping Meeting with Staff	6	6	-	12	-	2,760
Task 1.2	Meetings with CFPD (3 total) and Proposed Fee Cities (5)	42	-	30	72	-	15,300
Task 1.3	Demographic/Growth Research and Analysis	12	36	80	128	-	19,960
Task 1.4	Request, Collect and Review Data/Information	-	20	40	60	-	8,700
Task 1.5	Analyze Disadvantaged Unincorporated Communities in Study Area	-	6	15	21	-	2,985
Task 1.6	Follow-Up with Agencies	-	8	16	24	-	3,480
Task 1.7	Assess Public Facilities/Services	16	12	30	58	-	10,370
Task 1.8	Check-In Conference Call with Client	4	2	2	8	-	1,720
<b>Task 2</b>	<b>Administrative Draft MSR Report</b>	18	85	118	221	\$ -	\$ 35,425
<i>Compile data, trends, capacity and other factors into</i>							
Task 2.1	Analyze Present and Planned Capacity Issues	-	20	20	40	-	6,200
Task 2.2	Analyze Operating and Capital Budgets and Reserves	-	8	-	8	-	1,480
Task 2.3	GIS / Land Use and Demographic Spatial Analysis	-	6	22	28	-	3,860
Task 2.4	Forecast Facility Needs and Future Services Demand	2	6	24	32	-	4,660
Task 2.5	Prepare Agency Profiles and Assemble Key Observations	-	10	12	22	-	3,350
Task 2.6	Prepare Administrative Draft MSR, including Exhibits	8	24	40	72	-	11,640
Task 2.7	Coordination with Client, Project Management	2	5	-	7	-	1,475
Task 2.8	Present to Client (In-Person Meeting)	6	6	-	12	-	2,760
<b>Task 3</b>	<b>Public Review MSR Report</b>	10	9	2	21	\$ -	\$ 4,665
<i>Prepare and circulate draft MSR, present at Public Hearing</i>							
Task 3.1	Draft Public Review MSR and Route to Client	2	3	-	5	-	1,105
Task 3.2	Check-In Conference Call with Client	2	2	-	4	-	920
Task 3.3	Revise and Final Public Review Draft MSR	-	2	2	4	-	620
Task 3.4	Coordination with Client, Project Management	-	2	-	2	-	370
Task 3.5	Public Hearing Attendance	6	-	-	6	-	1,650
<b>Task 4</b>	<b>Final MSR Report</b>	6	5	5	16	\$ -	\$ 3,200
<i>Finalize MSR and attend Public Hearing</i>							
Task 4.1	Prepare Comment Log from Commission Meeting	-	1	3	4	-	560
Task 4.2	Incorporate Comments into Final MSR Report	-	2	2	4	-	620
Task 4.3	Coordination with Client, Project Management	-	2	-	2	-	370
Task 4.4	Public Hearing Attendance	6	-	-	6	-	1,650
<b>GRAND TOTAL BUDGET</b>		114	189	338	641	\$ -	\$ 108,565



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# REQUEST FOR PROPOSALS

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FOR A MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE OF THE  
CONSOLIDATED FIRE PROTECTION DISTRICT OF THE COUNTY OF LOS ANGELES

OCTOBER 7, 2019

80 S. LAKE AVE., STE. 870 • PASADENA, CA 91101

PH: (626) 204-6500 • [www.lalafco.org](http://www.lalafco.org)

# REQUEST FOR PROPOSALS FOR A MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF THE COUNTY OF LOS ANGELES

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## I. Objective

The Local Agency Formation Commission for the County of Los Angeles (LAFCO) is seeking Proposals (Proposals) in this Request for Proposals (RFP) from professional service firms to perform a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update of the Consolidated Fire Protection District of the County of Los Angeles (CFPD).

## II. Background

The mandate for LAFCO to conduct service reviews is part of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act), codified at California Government Code §56000 et seq. Pursuant to Government Code Section 56425, “on or before January 1, 2008, and every five years thereafter, the Commission shall, as necessary, review and update each sphere of influence.” Thus, LAFCO has determined it is necessary to update the Spheres of influence (SOI) for the Consolidated Fire Protection District of the County of Los Angeles.

LAFCO is responsible for establishing, reviewing and updating Sphere of Influence boundaries for local agencies in Los Angeles County. The contracted professional service firm will prepare the MSR and SOI update for the CFPD.

Interested and qualified Proposers, who can demonstrate their ability to successfully provide the required services outlined in Exhibit A, Scope of Services, of this RFP are invited to submit a proposal, provided they meet all requirements identified in this RFP at the time of proposal submission.

At the close of the solicitation process, Proposals will be evaluated, and staff will provide a recommendation to the Commission for the selection of a Contractor. Subject to the Commission’s approval, the selected contractor will be notified, and with approval of the Commission, a contract will be executed consistent with the parameters of this RFP and the Proposal submitted.

## III. Contract Services

### A. Contract Work

The Contract work is described in the *Scope of Services* enclosed with this RFP as Exhibit A. The work includes completion of a Municipal Service Review (MSR) and a Sphere of Influence (SOI) Update consistent with the requirements of the CKH Act including the statutory factors and findings identified below Municipal Service Review Determinations.

The MSR shall analyze the factors as required by Government Code Sections 56430 which must include an analysis and recommendation for the CFPD's SOI. The selected Contractor shall provide the MSR to Executive Officer and the affected agencies, including the CFPD for review and input prior to finalizing it. The Contractor shall perform the Tasks described in Section III of the Scope of Services (Exhibit A).

The Municipal Service Review shall provide the research and analysis to enable the Commission to make determinations on seven (7) topics as required, under the CKH Act, prior to adopting the MSR. The seven topics are as follows:

- 1) Growth and population projections for the affected area.
- 2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
- 3) Present and planned capacity of public facilities and adequacy of public services, adequacy of public services, infrastructure needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
- 4) Financial ability of agencies to provide services.
- 5) Status of, and opportunities for, shared facilities.
- 6) Accountability for community service needs, including governmental structure and operational efficiencies.
- 7) Any other matter related to effective or efficient service delivery, as required by Commission policy.

B. Sphere of Influence Factors

In addition, the MSR shall include an analysis of the five (5) factors as required by Government Code Section 56425, below, and recommendations of the most appropriate Sphere of Influence for the CFPD. The five (5) factors are as follows:

- 1) The present and planned land uses in the area, including agricultural and open-space lands.
- 2) The present and probable need for public facilities and services in the area.
- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- 4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
- 5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs

pursuant to subdivision (g)<sup>1</sup> on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing SOI.

#### **IV. Cost**

Proposers shall complete the Pricing Sheet (Attachment 1) which identifies the total of all charges to complete each Task required under the Contract. LAFCO reserves the right to negotiate the terms, conditions, and prices of the final Contract, in its sole discretion, to achieve the most beneficial program and price. LAFCO may limit the negotiation, if any, to one or more responsive and responsible Proposers who receive the highest scores in a preliminary scoring of Proposers in accordance with the evaluation criteria set forth in Section X. The negotiation with the Proposer(s) will not result in a change in the rating of the proposers. If a satisfactory Contract cannot be negotiated with the highest rated Proposer, LAFCO may, at its sole discretion, begin Contract negotiations with the next highest rated Proposer who submitted a Proposal, as determined by LAFCO.

#### **V. Project Schedule**

Time is of the essence. Proposers shall submit, as part of its Proposal, a timeline with completion dates, which includes time for review by LAFCO and CFPD, for each Task (Project Schedule). The final Project Schedule for the contract work may be negotiated with the Proposer selected for the work prior to an agreement being recommended to the Commission for adoption. The enclosed Project Schedule (Attachment 2) must be completed and submitted with the response to this Proposal to be considered complete and responsive. The Project Schedule must identify all Tasks clearly however may be modified by Proposers only if needed to include the completion of more detailed subtasks.

#### **VI. Proposal Submission**

##### **A. Acceptance or Rejection of Proposals**

LAFCO reserves the right to reject any or all Proposals that, in the judgment of the Commission or Executive Officer are not responsive. LAFCO further reserves the right to cancel this Request for Proposals at any time at its sole discretion. LAFCO will not be liable for any costs incurred by any proposers in connection with the preparation and submittal of their Proposal, including where a Proposal is rejected, or the solicitation is cancelled.

##### **B. Altering Solicitation Document**

The wording of the solicitation document shall not be changed. Any additions, conditions, limitations, or provisions inserted by the Proposer will render their Proposal irregular and may cause its rejection as nonresponsive.

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<sup>1</sup> Subdivision (g) of Government Code Section 56425 specifies that "On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence."



- C. Pass/Fail Review: Proposals not meeting all of the requirements listed below may be rejected as nonresponsive:

Submit a Proposal by the deadline. The Proposal must be time stamped by LAFCO no later than **Wednesday, October 30, 2019** and/or emailed by the deadline. Any Proposal without a LAFCO time stamp or email confirmation verifying that the deadline for submission has been met will be rejected;

Submit a Proposal in the form described in paragraph D. below, including but not limited to Work Plan, Pricing Sheet, and Project Schedule.

Proposer meets all of the following Minimum Requirements:

1. Proposer or the Lead Professional(s) assigned to manage the Contract work must demonstrate project oversight responsibilities for at least two municipal service reviews conducted for Local Agency Formation Commissions in the state of California in the past 7 years.
2. Proposer or the Lead Professional(s) assigned to manage the Contract work must demonstrate familiarity with the CKH Act, LAFCOs, the MSR process and municipal financing.
3. Proposer or the Lead Professional managing the Contract work must demonstrate presenting to governing bodies at public meetings in the past three years.

- D. Proposal Format and Content: The Proposal must contain the following information and be presented in an organized fashion.

- a. A Work Plan that describes comprehensively and in detail how the Proposer will meet the requirements of the Scope of Services (EXHIBIT A). The Work Plan shall include a staffing plan that clearly identifies the Lead Professional(s) responsible for managing the Contract work and any additional staff who will be performing the day-to-day work, including subcontractors and the estimated work hours for each. Note that the Work Plan may identify potential time and cost saving measure proposed to complete the work.
- b. Experience – The Proposal must also describe relevant experience and/or familiarity with the CKH Act, LAFCOs, the MSR process and municipal financing for the Proposer and the Lead professional(s), staff and subcontractors. The Experience section of the Proposal should describe the Proposer's history as well as the competencies and résumés of the Lead Professional(s) and of all staff, including subcontractors, who will be involved in the Contract work. This section of the Proposal should include information such as the following:
  - i. Experience in governmental organization analysis, including performance measurement and benchmarking techniques;
  - ii. Ability to facilitate and synthesize input from a variety of stakeholders;

- iii. Ability to interpret varied budget and planning documents; and
  - iv. Familiarity with public input processes and experience handling the presentation and dissemination of public information for review and comment;
  - v. Familiarity with the CKH Act, LAFCOs, MSR preparation and municipal financing;
  - vi. Experience presenting to governing bodies at public meetings.
- c. Subcontracting - LAFCO seeks diverse, broad-based participation in its contracting. Subcontractors, if any, shall be subject to all requirements set forth in the RFP that are applicable to the Contractor. If Subcontractors are to be employed, Proposer must submit a statement of their proposed assignments, qualifications, experience, staffing, and availability.
  - d. References - Provide a list of at least three (3) client references, preferably from government agencies. The reference list should include the client's/agency's name, address, telephone, email address, and location.
  - e. Prior MSR information - Provide any relevant website links for Municipal Service Reviews prepared by Proposer and Lead Professional(s) and include:
    - i. the date and agency the MSRs were prepared for;
    - ii. the affected agency and services reviewed;
    - iii. the outcome of the MSR (describe whether the firm's recommendations were implemented).
  - f. Project Schedule – Proposals shall contain the Project Schedule (Attachment 2), which shows the overall timeline for completion of each work Task.
  - g. Cost/Pricing Sheet - The Proposal must include a Pricing Sheet (Attachment 1) that lists each firm professional working on the Contract work, the estimated number of work hours corresponding to each professional, and the billable hourly rate.
  - h. The Pricing Sheet (Attachment 1), must include all costs required for a complete product, including all administrative costs and out of pocket expenses incurred by the firm, if any (i.e.: mileage, copies, postage, etc.).

## **VII. Notice to Proposers Regarding the Public Records Act**

1. Responses to this solicitation shall become the exclusive property of LAFCO. Absent extraordinary circumstances, the recommended Proposer's Proposal will become a matter of public record, when the Proposer recommendation appears on LAFCO's agenda. Exceptions to disclosure are those parts or portions of the Proposals that are justifiably defined as business or trade secrets, and plainly marked by the Proposer as "Trade Secret," "Confidential," or "Proprietary."
2. LAFCO shall not, in any way, be liable or responsible for the disclosure of any such record or any parts thereof, if disclosure is required or permitted under the California Public Records Act

or otherwise by law. A blanket statement of confidentiality or the marking of each page of the Proposal as confidential shall not be deemed a sufficient notice of exemption. The Proposers must specifically label only those provisions of their respective Proposal which are Trade Secret," "Confidential," or "Proprietary" in nature at the time of Proposal submission may be accepted.

#### **VIII. Conflict of Interest**

There shall be no Conflict of Interest with the Contractor firm selected. Proposers warrant and covenant that no official or employee of LAFCO, nor any business entity in which an official of the LAFCO has an interest, has been employed or retained to solicit or aid in the procuring of the resulting contract, nor that any such person will be employed in the performance of such contract without immediate divulgence of such fact to LAFCO. Proposers will notify LAFCO of any potential conflict of interest regarding other work or third-party contracts.

#### **IX. Submission Requirements**

##### **QUESTIONS:**

Questions to the RFP should be directed to Adriana Romo at [aromo@lalaftco.org](mailto:aromo@lalaftco.org). To ensure a response, questions must be received no later than Monday, October 21, 2019 at 5:00 P.M. PST. All questions and responses will be posted to <http://www.lalaftco.org>.

##### **SUBMISSION:**

LAFCO must receive responses to this RFP no later than the date and time specified below. Proposals received after the due date will not be accepted. No additional time will be granted to any Proposer to submit a Proposal unless the time is extended by LAFCO through an addendum to this RFP.

##### **DUE DATE:**

**On or before 5:00 P.M. PST, Wednesday, October 30, 2019.**

##### **NUMBER OF COPIES:**

1 complete reproducible copy

If delivering in person or by mail: 1 original hard copy (unbound)

##### **DELIVER TO OR EMAIL TO:** *(Email submittal is preferred.)*

Adriana Romo, Deputy Executive Officer  
Local Agency Formation Commission for the County of Los Angeles  
80 South Lake Avenue, Ste. 870  
Pasadena, CA 91101  
Email: [aromo@lalaftco.org](mailto:aromo@lalaftco.org)

**Note:** If delivery is to be in person, please first call the LAFCO office (626) 204-6500 to arrange a delivery time. If the Proposal will be submitted electronically, please provide a complete

reproducible copy by the due date and time. *Cost for the preparation of Proposals shall be borne by the proposers.*

**X. Selection Process**

LAFCO reserves the sole right to judge the contents of the Proposals submitted pursuant to this RFP and to review, evaluate and select the successful Proposal(s). Each responsive Proposal will be evaluated and scored by an evaluation committee selected by LAFCO. A final interview may be required. **Final selection by Commission is anticipated by November 13, 2019.**

**A. Award of the Contract**

Subject to the right of the Commission to make the ultimate decision concerning the award of contracts, LAFCO intends to award a Contract to the highest-rated proposer, based on the criteria identified in Section X. Evaluation Criteria, whose Proposal provides the most beneficial program and price with all other factors considered. LAFCO retains the right to select a Proposal other than the Proposal receiving the highest number of points, if LAFCO determines, in its sole discretion, another Proposal is the most overall qualified, cost-effective, responsive, responsible, and in the best interest of LAFCO. The recommended awardee shall submit copies of its proof of insurance coverage, within 14 days after Commission approval of the proposed Contract or at least 14 days prior to the proposed Contract's start date, whichever occurs last. Work under the proposed Contract cannot begin before proof of valid insurance coverage is submitted to LAFCO.

**B. Evaluation of Proposal**

1. LAFCO in its sole discretion, may elect to waive any error or informalities in the form of a Proposal or any other disparity, if, as a whole, the Proposal substantially complies with the RFP's requirements.
2. LAFCO may utilize the services of appropriate experts to assist in the evaluation process.
3. **EVALUATION CRITERIA (MAXIMUM 20 POINTS)**  
*(Rating Scale of 1 to 5, 5 being the highest).*

**i. PRICE (5 POINTS):**

The proposed price in the Pricing Sheet (Attachment 1) should accurately reflect the Proposer's cost of providing the required products and services and any profit expected during the Contract term. Evaluators may provide higher points based on the following criteria:

- a. Most economical service.
- b. Potential cost saving alternatives.
- c. Maximum Contract Sum.

**ii. WORK PLAN (5 POINTS):**

Proposers will be evaluated on the Work Plan submitted as part of on VI.D. (Work Plan). The evaluators may give reduced scores to any Work Plan that omits or fails to sufficiently address any of the items specified in n VI. of the RFP or that fails to clearly identify the Lead Professional, managers, staff, and subcontractors and the number of estimated work hours for the Lead Professional(s). Evaluation and scoring of the Proposer's Work Plan will be based on the extent to which it demonstrates the Proposer is likely to meet or exceed the performance requirements set forth in Exhibit A, Scope of Services, to demonstrate creativity and innovation that exceed the minimum requirements of the Scope of Services; to render timely and responsive service to LAFCO; and to provide a professional level of quality in the service and work product. The highest scores will be awarded to the most comprehensive and detailed Work Plans that are likely to lead the Proposer to exceed the minimum requirements.

The evaluators will award higher scores to Work Plans to commit to specific staffing levels that exceed the requirements of the work. Evaluators may provide higher points based on the following criteria:

- a. Availability of Lead Professional(s), manager, staff and subcontractors, if any.
- b. Organization of Work Plan and Proposal.

**iii. QUALIFICATIONS AND EXPERIENCE OF PROPOSER, LEAD PROFESSIONAL(S) AND STAFF: (5 POINTS)**

Proposers will be evaluated on the Experience submitted as part of their Proposal. The evaluators may give reduced scores to any Proposer that omits or fails to sufficiently address any of these items specified in Section I of this RFP. Failure to demonstrate the minimum lengths of experience performing the service, as indicated in the Minimum Requirements, may result in rejection of the Proposal as nonresponsive.

The evaluators may award higher points for the higher quality and quantity of experience of the Proposer, its Lead Professional(s), manager, staff and subcontractors, if any, in providing the required services. Greater weight will be given to services provided to agencies of similar size and nature. Evaluators may provide higher points based on the following criteria:

- a. Qualifications of key staff, including the Lead Professional.
- b. Familiarity with the CKH Act, LAFCOs, the MSR process and municipal financing .
- c. Experience preparing MSRs and/or preparing other relevant documents for public agencies.
- d. A minimum of three client reference was provided. Proposer listing government agencies as references may be rated higher.
- e. Experience presenting to governing bodies at public meetings.

**iv. PROJECT SCHEDULE : (5 POINTS)**

Evaluators may provide higher points based on the following criteria:

- a. Completion of Project Schedule (Attachment 2).

**XI. LAFCO Contact**

Adriana Romo, Deputy Executive Officer  
Local Agency Formation Commission for the County of Los Angeles  
Phone: (626) 204-6500  
Email: [aromo@lalafco.org](mailto:aromo@lalafco.org)

**XII. LAFCO Information**

For general information about LAFCO, refer to the LAFCO web site: [www.lalafco.org](http://www.lalafco.org).

## EXHIBIT A

### Scope of Services

### Municipal Service Review and Sphere of Influence Update of the Consolidated Fire Protection District of the County of Los Angeles

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#### I. **Municipal Service Review**

##### A. Municipal Service Review Determinations

The Contractor shall prepare a Municipal Service Review for the Consolidated Fire Protection District of the County of Los Angeles (CFPD) which shall provide research and analysis to enable the Commission to make determinations on seven (7) topics as required under the CKH Act for purposes of adopting the municipal service review:

- 1) Growth and population projections for the affected area.
- 2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
- 3) Present and planned capacity of public facilities and adequacy of public services, adequacy of public services, infrastructure needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
- 4) Financial ability of agencies to provide services.
- 5) Status of, and opportunities for, shared facilities.
- 6) Accountability for community service needs, including governmental structure and operational efficiencies.
- 7) Any other matter related to effective or efficient service delivery, as required by Commission policy.

##### B. Sphere of Influence Update

The Contractor shall include an analysis and recommendations of the five topics required by the CKH Act, as noted below, regarding an appropriate Sphere of Influence for the CFPD. The review shall also identify those areas of the CFPD is serving outside of its boundaries and make recommendations regarding the future delivery of service those areas.

- 1) The present and planned land uses in the area, including agricultural and open-space lands.
- 2) The present and probable need for public facilities and services in the area.
- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- 4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
- 5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g)<sup>1</sup> on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

## **II. Local Context/Issues Identification**

The Consolidated Fire Protection of Los Angeles County provides fire protection services to unincorporated county territory and 59 cities. Cities annexed post-Proposition 13<sup>2</sup> are served by Fee-For-Service Contracts. For more detailed information, you may visit the following website:  
<http://www.pvestates.org/home/showdocument?id=3030>.

In recent years, representatives of five cities have explored the possibility of becoming “Fee-for-Service” Contract cities. Although these cities have expressed “interest” this may or may not result in any particular city pursuing a “Fee-For-Service” option with CFPD. Each city is at a different stage of the evaluation process. The following cities are exploring the possibility of becoming a “Fee-For-Service” city:

1. La Verne
2. Manhattan Beach
3. Redondo Beach
4. San Gabriel
5. Vernon

The MSR Report analysis should consider these aforementioned cities of interest, in addition to cities in Los Angeles County that operate their own independent fire department. The report should also address the future planned growth of the CFPD’s service area beyond the existing boundaries, identified as the proposed sphere of influence. Furthermore, the study must evaluate the proposed growth within its boundaries and sphere of influence. These should include probable service area expansions being contemplated by the CFPD, in addition to the five cities identified above.

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<sup>1</sup> Subdivision (g) of Government Code Section 56425 specifies that “On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence.”

<sup>2</sup> In 1978, Proposition 13 restricted the total property tax levy to one percent of a property’s assessed value and CFPD was allocated a proportionate share of the one percent tax levy within its service area. Since the CFPD lost the ability to levy property taxes to fund services, cities annexed post Proposition 13, are provided services under a Fee-for-Service Contract.



- III. **Tasks** – The Contractor shall perform the following work (Tasks) to complete the MSR and SOI Update (hereafter referred to as “MSR” or “MSR Report”):

Task 1. Project Initiation- The Contractor shall:

- a. Arrange a kick-off meeting with LAFCO staff within 30 days of commencement of the Contract. The meeting will ensure initial understanding of the project scope and objectives, define roles, and responsibilities, and lines of communication.
- b. Initiate discussions with key CFPD staff as directed by LAFCO.

Task 2. Data Collection- The Contractor shall:

- a. Draft a Request for Information/Questionnaire, for LAFCO staff to review and comment.
- b. Circulate the Request for Information/Questionnaire to CFPD staff to complete and respond to. The Contractor shall obtain approval from for the foregoing review period.
- c. Consider the collected data and perform an analysis required by the CKH Act for the Municipal Service Review, including the items required by Sections 56425 and 56430 of the Government Code. Hence, the MSR shall address *at a minimum* the following research questions, however, should include any additional information the Contractor and/or LAFCO determines necessary to provide a complete analysis:
  - i. What class and level of fire protection services are currently provided by the CFPD?
  - ii. How much population growth is anticipated within the CFPD’s boundaries and sphere of influence over the next 5, 10, 15 years?
  - iii. What is the anticipated increase in fire protection services’ demand expected within the CFPD boundaries and sphere of influence over the next 5, 10, 15 years?
  - iv. What is the current adequacy of services provided within the CFPD’s service area?
  - v. To what extent is the CFPD able to meet anticipated growth in demand for fire protections services in its sphere of influence, more specifically in five known cities of interest?
  - vi. What are the present and planned land uses within the existing sphere of influence, including the five identified cities of interest?
  - vii. What contiguous areas could potentially be included in CFPD’s sphere of influence?
  - viii. What is the current capacity of public facilities and adequacy of public services that the CFPD is interested in providing?

- ix. What opportunities exist for service providers in and near the area of interest to share public facilities to more effectively and efficiently deliver services?
  - x. Does the CFPD provide emergency and/or fire suppression services to the Angeles National Forest?
  - xi. If not the CFPD, which fire protection agency provides emergency and/or fire suppression services to the Angeles National Forest, and what relationship does it have with the CFPD?
  - xii. Do the service providers of interest have adequate public facilities and other infrastructure to accommodate anticipated growth in service demand in the area of interest?
  - xiii. What cost avoidance opportunities, financing constraints and financing opportunities exist in providing municipal services to the area of interest?
  - xiv. What alternative delivery options exist relevant to future fire protection services to the areas of interest, and what are the advantages and disadvantages of consolidating or reorganizing service providers?
  - xv. To what extent are service providers in the area of interest accountable to the population being served?
  - xvi. What governance structures currently exist among the service providers of interest?
  - xvii. What is the Contractor's evaluation of current and potential management efficiencies as they relate to optimal service provision and optimal spheres of influence?
- d. Verify the data submitted;
  - e. Provide an analysis of data and preparation of preliminary findings;
  - f. Present preliminary findings to key CFPD and LAFCO staff;

Task 3. Administrative Review - Draft of MSR- The Contractor shall:

- a. Provide an analysis of the data collected and preparation of preliminary findings and present those findings to LAFCO staff for review and comment.
- b. Prepare an Administrative Review Draft Municipal Services Report to be circulated internally to the subject agency, affected agencies and LAFCO staff;
- c. Provide research, analysis, and recommendations for the relevant findings and determinations with respect to Government Code Sections 56425 and 56430 in the MSR Report.

- d. Be accessible to LAFCO staff and subject agency staff for comment and review of this internal draft.

Task 4. Public Review Draft of the MSR- The Contractor shall:

- a. Prepare a Public Review Draft Municipal Service Review that includes agency comments and/or clarifications, as deemed appropriate by LAFCO staff;
- b. Publish and facilitate the public release of the draft report; this will begin the public comment period;

Task 5. Final Municipal Service Review Report - The Contractor shall:

- a. Prepare a final draft MSR which, includes responses to comments and recommended determinations for each of the factors required for the MSR and a SOI review/update as identified in the CKH Act and this *Scope of Services*;
- b. Present the final report to the Commission at its public meeting.

Additional requirements

All Task work will be charged according to the Pricing Sheet (Attachment 1). The Contractor shall perform all Contract work at the rates described in the Pricing Sheet. The rates (hourly per staff person identified) shall include all administrative costs, labor, supervision, materials, transportation, taxes, equipment and supplies, unless stated otherwise in the Contract. It is understood and agreed that where quantities of work are modified by LAFCO, any such additional work shall be performed, with prior written approval of the Executive Officer for LAFCO, at the applicable rates in the Pricing Sheet.

Contractor staff identified in the Work Plan shall complete Tasks in a timely fashion according to the approved Project Schedule (Attachment 2) Any modifications to the Schedule must be approved in writing by the Executive Officer.

EXHIBIT B  
STANDARD TERMS AND CONDITIONS PERTAINING TO  
CONTRACT ADMINISTRATION

**1. Hold Harmless/Indemnification**

**1.1** Contractor shall indemnify and hold harmless LAFCO, its Commissioners, officers, employees, agents and representatives, (individually and collectively referred to as "Indemnitees"), from any liability whatsoever, based or asserted upon any services provided by Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Contract, including but not limited to property damage, bodily injury, or death or any other injury of any kind or nature whatsoever. Contractor shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards all Indemnitees in any claim or action described herein.

**1.2** With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of LAFCO; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification of Indemnitees as set forth herein. Contractor's obligation to defend, indemnify and hold harmless Indemnitees shall be subject to LAFCO providing Contractor with written notice of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to LAFCO the appropriate form of dismissal relieving LAFCO from any liability for the action or claim involved. The obligations of this section shall survive the termination of this Contract.

**1.3** The specified insurance limits required in this Contract shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless LAFCO from third party claims.

**2. Waiver Of Default**

Any waiver by LAFCO of any breach of any one or more of the terms of this Contract shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of LAFCO to require exact, full and complete compliance with any terms of this Contract shall not be construed as in any manner changing the terms hereof, or estopping LAFCO from enforcement thereof.

**2. Termination/Suspension**

- 2.1.** LAFCO may terminate this Contract and/or the Executive Officer may suspend this Contract without cause upon 30 days written notice served upon Contractor stating the extent and effective date of termination or suspension.
- 2.2.** Notwithstanding the foregoing, LAFCO may, upon five (5) days written notice, suspend or terminate this Contract for Contractor's default, including by not limited to, if Contractor materially breaches this Contract, refuses or fails to comply with the provisions of this Contract or fails to make progress so as to endanger performance and does not cure such failure within a reasonable period of time. In the event of such termination, LAFCO may proceed with the work in any manner deemed proper to LAFCO.
- 2.3.** After receipt of the Notice of Termination or Suspension pursuant to paragraph 2.1 or 2.2 above, Contractor shall:
  - a.) Complete only those items of work which are at various stages of completion if directed to do so by the Executive Officer and shall stop all work under this Contract on the date specified in the Notice of Termination.
  - b.) Transfer to LAFCO and deliver in the manner, and to the extent, if any, as directed by LAFCO, any information, data or reports prepared by Contractor under this Contract which shall be delivered to LAFCO upon request and shall become the property of LAFCO.
- 2.4.** After termination or suspension of the Contract pursuant to this section, LAFCO shall make payment for all services performed in accordance with this Contract and the Notice of Suspension or Termination. Contractor shall have no claim against LAFCO for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration, suspension or other termination of this Contract. This provision shall survive the expiration, suspension or termination of this Contract.
- 2.5.** The rights and remedies of LAFCO provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**3. Disputes**

Except as otherwise provided in this Contract, any dispute concerning a question of fact arising under this Contract shall be decided by the Executive Officer who shall furnish the decision in writing. The decision of the Executive Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith. Contractor shall proceed diligently with the performance of the Contract work pending the Executive Officer's decision.

**4. Amendments/Change Order**

Modifications or changes to the Scope of Services or this Contract may only be made by written amendment or change order to this Contract signed by the Executive Officer and Contractor.

**5. Independent Contractor**

5.1 Contractor is, for purposes of this Contract, an independent Contractor and shall not be deemed an employee of LAFCO. It is expressly understood and agreed that Contractor shall in no event, as a result of this Contract, be entitled to any benefits to which LAFCO employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. Contractor hereby holds LAFCO harmless from any and all claims that may be made against LAFCO based upon any contention by any third party that an employer-employee relationship exists by reason of this Contract. The employees or agents of each party shall not be construed to be the employees or agents of the other party for any purpose whatsoever. Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work under this Contract, all compensation and benefits. Contractor agrees that all persons performing work are, for purposes of Worker's Compensation liability, solely employees of Contractor and not employees of LAFCO.

5.2 It is further understood and agreed by the parties hereto that Contractor, in the performance of its obligations herein, is subject to the control or direction of LAFCO merely as to the result to be accomplished by the work hereunder agreed to be rendered and performed and not as to the means and methods for accomplishing the results.

5.3 Contractor shall provide and maintain, throughout the term of this Contract, their own workplace, tools, equipment, and supplies necessary to perform the duties set forth under this Contract.

Notwithstanding the foregoing, LAFCO may, in its sole discretion, and with its prior written consent, provide access to LAFCO facilities, offices, or meeting rooms during regular work hours for meetings, conferences, or other work of Contractor.

5.4 Contractor has the right to perform services for other clients during the term of this Contract as long as such services are not in direct conflict with the services provided to LAFCO.

**6. Subcontract For Work Or Services**

No Contract shall be made by Contractor with any party for furnishing any of the work or services herein contained without the prior written approval of the Executive Officer but this provision shall not require the approval of Contracts of employment between Contractor and personnel assigned for services hereunder, or for parties named in the proposal and agreed to under this Contract.

**7. Interest Of Contractor**

Contractor covenants that it presently has no interest, including but not limited to, other projects or independent Contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. Contractor further covenants that in the performance of this Contract, no person having any such interest shall be employed or retained by it under this Contract.

**8. Conduct Of Contractor**

- 8.1. Contractor agrees to inform LAFCO of all Contractor's interest, if any, which are or which Contractor believes to be incompatible with any interest of LAFCO.
- 8.2. Contractor shall not, under circumstances, which might reasonably be interpreted as an attempt to influence the Contract work, or to accept any gratuity or special favor from individuals or organizations with whom Contractor is doing business or proposing to do business, in accomplishing the work under the Contract.
- 8.3. Contractor or employees thereof shall not offer gifts, gratuity, favors and/or entertainment directly or indirectly to LAFCO employees or to any employees of the CFPD in accomplishing the Contract work.

**9. Disallowance**

In the event Contractor receives payment for services under this Contract which is later disallowed for nonconformance with the terms and conditions herein by LAFCO, Contractor shall promptly refund the disallowed amount to LAFCO on request, or at its option, LAFCO may offset the amount disallowed from any payment due to Contractor under any Contract with LAFCO.

**10. Governing Law; Jurisdiction; Severability**

This Contract and its construction and interpretation as to validity, performance and breach shall be construed under the laws of the State of California. Any legal action related to this Contract shall be filed in the Superior Court of the State of California located in Los Angeles, California. In the event any provision in this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

**11. Insurance Requirements**

Without limiting or diminishing Contractor's obligation to indemnify or hold LAFCO harmless, Contractor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Contract:

**A. Workers' Compensation**

If Contractor has employees as defined in the State of California, Contractor shall procure and maintain for the life of the Contract, Worker's Compensation Insurance covering all employees with limits meeting all applicable state and federal laws. This coverage shall also include Employer's Liability with limits all applicable to state and federal laws. As mandated by California State Law, the Contractor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. The policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than **\$1,000,000** per person per accident. The policy shall be endorsed to waive subrogation in favor of LAFCO, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

**B. Commercial General Liability**

The Contractor shall procure and maintain for the life of the Contract Commercial General Liability insurance coverage, including but not limited to, premises liability, Contractual



liability, products and completed operations liability, personal and advertising injury covering claims which may arise from or out of Contractor's performance of its obligations hereunder. The policy shall name LAFCO, its Commissioners, officers, employees, agents and representatives as Additional Insureds. Policy's limit of liability shall not be less than **\$1,000,000** per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit.

**C. Vehicle Liability**

If Contractor's vehicles or mobile equipment are used in the performance of the obligations under this Contract, then Contractor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than **\$1,000,000** per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract work or be no less than two (2) times the occurrence limit. The policy shall name LAFCO, its Commissioners, officers, employees, agents and representatives as Additional Insureds.

**D. Professional Liability Insurance**

The Contractor shall procure and maintain for the life of the Contract Professional Liability Insurance providing coverage for Contractor's performance of Contract work, with a limit of liability of not less than **\$1,000,000** per occurrence and **\$2,000,000** annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Contract and Contractor shall purchase at their sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, the commencement of this Contract; or 3) demonstrate through Certificates of Insurance that Contractor has maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this Contract.

Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an AM BEST rating of not less than A: VII (A:8) unless such requirements are waived, in writing, by LAFCO. If LAFCO waives a requirement for a

particular insurer such waiver is only valid for that specific insurer and only for one policy term.

**E. General Insurance Provisions - All lines**

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by LAFCO. If LAFCO waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) Contractor's insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the LAFCO before the commencement of operations under this Contract. Upon notification of deductibles or self-insured retention's unacceptable to LAFCO, and at the election of LAFCO, Contractor's carriers shall either; 1) reduce or eliminate such deductibles or self-insured retention's as respects this Contract, or 2) Contractor or their carrier shall procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- 3) Contractor shall cause Contractor's insurance carrier(s) to furnish LAFCO with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, or 2) if requested to do so orally or in writing by LAFCO, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to LAFCO prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Contract shall be terminated or suspended forthwith, unless LAFCO receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. Contractor shall not commence

operations until LAFCO has been furnished and approved original Certificate(s) of Insurance and certified original copies of endorsements or policies of insurance including all endorsements and any and all other attachments as required in this Section.

- 4) It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and LAFCO'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- 5) LAFCO'S Reserved Rights--Insurance. If, during the term of this Contract or any extension thereof, there is a material change in the scope of services; LAFCO reserves the right to adjust the types of insurance required under this Contract and the monetary limits of liability for the insurance coverage's currently required herein, if in LAFCO's reasonable judgment, the amount or type of insurance carried by Contractor has become inadequate.
- 6) Contractor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Contract.

## **12. Licensing And Permits**

**12.1** Contractor shall be licensed, if required, in accordance with the laws of this State and if not so licensed is subject to the penalties imposed by such laws.

**13.2** Contractor further warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for the provision of services hereunder and required by the laws and regulations of the United States, State of California, the County of Los Angeles and all other appropriate governmental agencies, and shall maintain these throughout the term of this Contract.

## **14. Contractor's Responsibility**

**14.1** It is understood that Contractor has the skills, experience and knowledge necessary to perform the services agreed to be performed under this Contract, and that LAFCO relies upon Contractor's representations about its skills, experience and knowledge to perform Contractor's services in a competent manner. Acceptance by LAFCO of the services to be performed under this Contract does not operate as a release of said Contractor from responsibility for the work performed.

**14.2** It is further understood and agreed that Contractor is apprised of the Scope of Services to be performed under this Contract and Contractor agrees that said work can and shall be performed in a fully competent manner.

**15. Ownership of Contract Materials**

**15.1** Contractor and LAFCO agree that all materials including, but not limited to, designs, specifications, techniques, plans, reports, deliverables, data, photographs, diagrams, maps, images, graphics, text, videos, advertising, software, source codes, website plans and designs, interactive media, drafts, working papers, outlines, sketches, summaries, edited and/or unedited versions of deliverables, and any other materials or information developed under this Contract and any and all Intellectual Property rights to these materials, including any copyrights, trademarks, service marks, trade secrets, trade names, unpatented inventions, patent applications, patents, design rights, domain rights, know-how, and any other proprietary rights and derivatives thereof, is and shall be the sole property of LAFCO (hereafter collectively, "LAFCO Materials"). Contractor hereby assigns and transfers to LAFCO all Contractor's right, title, and interest in and to all such LAFCO Materials developed under this Contract.

**15.2** Notwithstanding such LAFCO ownership in the LAFCO Materials, Contractor may retain possession of working papers and materials prepared by Contractor under this Contract. During and for a minimum of five years subsequent to the term of this Contract, LAFCO shall have the right to inspect any and all such working papers and materials, make copies thereof and use the working papers and materials and the information contained therein.

**16. Non-Discrimination & Equal Opportunity**

Contractor shall be an equal opportunity employer that does not discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Contract; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Practices Act (commencing with Section 1410 of the Labor Code), the Federal Civil Rights Act of 1964 (P.L. 88-352), and the Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) and all other applicable laws and regulations.

**17. Assurances**

Contractor will comply with all applicable LAFCO policies and procedures. In the event that the policies and procedures promulgated by LAFCO are more restrictive, but not in conflict with Federal or State policies and procedures, those issued by LAFCO will prevail.

**18. Records and Documents**

Contractor shall make available, upon written request by LAFCO and any duly authorized Federal, State or County agency, a copy of this Contract and such books, documents and records as are necessary to certify the nature and extent of the costs of the services provided by Contractor. All such books and records shall be maintained by Contractor for at least five years from the termination of this Contract and be available for audit by LAFCO. Contractor shall provide LAFCO with reports and information relative to this Contract and in accordance with terms set forth herein, as requested by LAFCO.

**19. Confidentiality**

CONTRACTOR shall maintain the confidentiality of all records obtained from LAFCO under this Contract in accordance with all applicable Federal, State, and local laws, ordinances, regulations, and directives relating to confidentiality. In addition, the Contractor shall maintain strict privacy of all LAFCO records, data and files (regardless of media), including any copyrighted material received from LAFCO.

**20. Administration/Contract Liaison**

The Executive Officer, or designee, shall administer this Contract on behalf of LAFCO.

**21. Notices**

All correspondence and notices required or contemplated by this Contract shall be delivered to the respective parties at the addresses set forth below and are deemed submitted one day after their deposit in the United States mail, postage prepaid:

Local Agency Formation Commission for  
the County Los Angeles  
Attn: Paul A. Novak, Executive Officer  
80 South Lake Avenue., Ste. 870  
Pasadena, CA 91101

CONTRACTOR

ADDRESS  
CITY,STATE

**22. Force Majeure**

**22.1** In the event Contractor is unable to comply with any provision of this Contract due to causes beyond their control such as acts of God, acts of war, civil disorders, or other similar acts, Contractor shall not be held liable to LAFCO for such failure to comply.

**22.2** In the event LAFCO is unable to comply with any provision of this Contract due to causes beyond its control, such as acts of God, acts of war, civil disorders, or other similar acts, LAFCO shall not be held liable to Contractor for such failure to comply.

**23. Mutual Cooperation**

LAFCO agrees to cooperate with Contractor in Contractor's performance of services for LAFCO under this Contract, including providing Contractor with reasonable facilities and timely access to LAFCO data, information and personnel. LAFCO shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to Contractor.

**24. EDD Reporting Requirements**

In order to comply with child support enforcement requirements of the State of California, LAFCO may be required to submit a Report of Independent Contractor(s) form DE 542 to the Employment Development Department.

It is expressly understood that this data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders and for no other purposes and will be held confidential by those agencies. Failure of Contractor to timely submit the data and/or certificates required may result in Contract being awarded to another Contractor. In the event a Contract has been issued, failure of Contractor to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of the Contract. Failure to cure such breach within 60 calendar days of notice from LAFCO shall constitute grounds for termination of the Contract.

If you have any questions concerning this reporting requirement, please call (916) 657-0529. You may also contact your local Employment Tax Customer Service Office listed in your telephone directory in the State Government section under "Employment Development Department," or you may access their Internet site at [www.edd.ca.gov](http://www.edd.ca.gov).

	PROPOSER NAME: _____				
POSITION TITLE:					
No. of Hours:					
Task Description					
Task 1: Project Initiation					
Task 2: Data Collection and Review					
Task 3: Administrative Review Draft of MSR					
Task 4: Public Review Draft of MSR					
Task 5: Completion of Final MSR					
Total Hours					
Hourly Rate					
Sub-total					
Additional Costs List (i.e. Additional Community Meeting)					
Total Costs					

ATTACHMENT 2

TASK	DESCRIPTION	COMPLETION DATE
1.	Projection Initiation	
2.	Data Collection	
3.	Administrative Review Draft of MSR	
4.	Public Review Draft of MSR	
5.	Final MSR Completed	



Professional Service Agreement  
Between the Local Agency Formation Commission for the County of Los Angeles and  
CONTRACTOR NAME

This Agreement is, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2019, by and between CONTRACTOR NAME (herein referred to as "Contractor"), and the Local Agency Formation Commission for the County of Los Angeles, (herein referred to as "LAFCO" or "Commission").

WITNESSETH

FIRST: The Contractor, for the consideration hereinafter set forth and the acceptance by the Commission of the Contractor's Proposal filed with LAFCO on Month day, YEAR, hereby agrees to provide services as described in this Contract for \_\_\_\_\_.

SECOND: This Agreement, together with the Request for Proposals and the Contractor's Proposal (by reference) including its Exhibit A, Scope of Services, Exhibit B, Terms and Conditions, the Pricing Sheet (Attachment 1), and Project Schedule (Attachment 2) are agreed by LAFCO and the Contractor to constitute the Contract.

THIRD: LAFCO agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the Contract specifications to the satisfaction of LAFCO's Executive Officer or Deputy Executive Officer, to pay the Contractor pursuant to the Pricing Sheet set forth in the Proposal, an amount not to exceed the Maximum Contract Sum of \$\_\_\_\_\_. Notwithstanding the foregoing, LAFCO shall have no obligation to purchase any specified amount of service or products.

FOURTH: This Contract's initial term shall be for a period of one year commencing upon execution by LAFCO and Contractor. LAFCO shall have the sole option to renew this Contract term on a month to month basis, for up to six months, until the necessary Contract work is completed. LAFCO, acting through the Executive Officer, may give a written notice of intent to renew this Contract at least ten days prior to the end of any term. The Executive Officer may provide a written notice of nonrenewal at least ten days before the last day of any term, in which case this Contract shall expire as of midnight on the last day of that term.

FIFTH: The Contractor shall bill monthly in arrears, for the work performed during the preceding month. Work performed shall be billed at the hourly rates quoted in the Proposal's Pricing Sheet (Attachment 1).

SIXTH: LAFCO will make payment to the Contractor within 30 days of receipt and approval of a properly completed and undisputed invoice. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The invoices shall be submitted to:

Local Agency Formation Commission  
Attention: Adriana Romo  
80 South Lake Ave., Ste. 870  
Pasadena, CA 91101

SEVENTH: In no event shall the aggregate total amount of compensation paid to the Contractor exceed the amount of compensation authorized by the Commission. Such aggregate total amount is the Maximum Contract Sum.

EIGHTH: The Contractor understands and agrees that only the designated Executive Officer or Deputy Executive Officer are authorized to request or order work under this Contract. The Executive Officer or Deputy Executive Officer are not authorized to request or order any work that would result in the Contractor earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

NINTH: The Contractor shall not perform or accept work requests from the Executive Officer or Deputy Executive Officer or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. The Contractor shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the Contractor's paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the Contractor shall immediately notify LAFCO in writing. The Contractor shall send written notification to the Executive Officer when this Contract is within sixty days from expiration of the initial term as provided for hereinabove.

TENTH: No Cost-of-Living Adjustment shall be granted for this Contract.

ELEVENTH: In the event that terms and conditions, which may be listed in the Contractor's Proposal, conflict with LAFCO'S specifications, requirements, and terms and conditions as reflected in this Contract, LAFCO's provisions shall control and be binding.

TWELFTH: This Contract constitutes the entire agreement between LAFCO and the Contractor with respect to the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings. This Contract may be signed by the parties hereto in separate counterparts, each of which shall be deemed an original. All counterparts, taken together, constitute the executed Agreement. The Contract may modify only in writing by the parties.

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IN WITNESS WHEREOF, LAFCO has, by order of its Commission, caused these presents to be subscribed by the Executive Officer, and the Contractor has subscribed its name by and through its duly authorized officers, as of the day, month and year first written above.

**LAFCO**  
Local Agency Formation Commission  
for the County of Los Angeles

**CONTRACTOR**  
CONTRACTOR NAME

\_\_\_\_\_  
Print Name:  
Title: Executive Officer  
Date:

\_\_\_\_\_  
Print Name:  
Title: President  
Date:

APPROVED AS TO FORM:

**CONTRACTOR**  
CONTRACTOR NAME

CAROLE SUZUKI  
County Counsel

\_\_\_\_\_  
Print Name:  
Title: Secretary  
Date:

By \_\_\_\_\_  
Deputy

## **Staff Report**

**November 13, 2019**

### **Agenda Item No. 9.c.**

#### **Sativa Water System Status Report**

##### **Background:**

Since the Commission approved Dissolution No. 2018-09 of the Sativa County Water District on February 13, 2019, the County of Los Angeles (County) has continued to provide the Commission written reports regarding the status of County operations of the former Sativa County Water District, as directed by the conditions of the dissolution.

Similar to the June 2019 status report, the County of Los Angeles Department of Public Works (DPW), issued a “Sativa Water System Quarterly Report ending September 2019,” attached, in compliance with condition 9.x.

Since the last update, the following has occurred:

- The County has completed the Fiscal Year 2017-18 Audit for the former Sativa County Water District. Due to poor financial records and internal controls, the auditor issued a disclaimer audit report. The audit notes expenditures exceeded revenues, District bonded indebtedness of \$1.6 million was used outside of its intended purposes, cash disbursement transactions of approximately \$385,000, as well as debit card transactions of approximately \$92,000 lacked adequate supporting documentation, and approximately \$84,000 in cash disbursements appear to be nonlegitimate, or unlawful actions. The audit was forwarded to the proper authorities.
- On July 29, 2019, construction of the interconnection with Liberty Utilities was completed, providing continuous, and uninterrupted water supply to Sativa customers, at cost.
- Due to recent infrastructure improvements and the flushing of the water system, the water quality has improved.
  - Upon completion of the interconnection with Liberty Utilities, Well No. 5 which is the suspected source of brown water, was taken offline for repairs.
  - Flushing of Sativa’s water lines occurred from July 30 to August 10, 2019, to remove any remaining particulate residue.
- DPW is in the process of securing grant funding from the State Water Board for infrastructure improvements in the amount of \$1.77 million and is partnering with the Water Replenishment District of Southern California to pursue additional grant funds in the amount of \$2.25 million for a manganese treatment system. The planned

infrastructure improvements consist of pipeline replacement, rehabilitation for both Sativa wells including replacement of all electrical and mechanical systems and equipment, replacement of Sativa's chlorination system, and installation of a remote monitoring/control system.

- Extensive bilingual outreach has continued, including community meetings, flyers in water bills, and print/television/radio media.
- On September 11, 2019, the County issued a Request for Proposals (RFP) for the sale of the former Sativa County Water District water system.
- The RFP deadline was November 12, 2019.
- The Board of Supervisors is expected to select a winning bidder in January or February of 2020.

DPW has been in communication with Commissioner Margaret Finlay, the LAFCO appointee to the RFP evaluation committee. In mid-October Commissioner Finlay toured Sativa district office and facilities.

Additional updates will follow in the months to come.

**Staff Recommendation:**

Staff recommends that the Commission:

1. Receive and file, the "Sativa Water System Quarterly Report ending September 2019" submitted by the County of Los Angeles Department of Public Works on September 19, 2019.

**Attachments:**

- "Sativa Water System Quarterly Report Ending September 2019"



MARK PESTRELLA, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

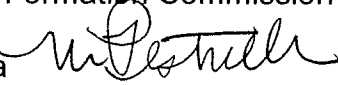
900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

September 19, 2019

IN REPLY PLEASE  
REFER TO FILE: **SWP-0**

TO: Paul Novak, Executive Director  
Local Agency Formation Commission

FROM: Mark Pestrella   
Director of Public Works

### **SATIVA WATER SYSTEM QUARTERLY REPORT ENDING SEPTEMBER 2019**

In accordance with Resolution No. 2019-00RMD of the Local Agency Formation Commission for Los Angeles County, attached is the second quarterly report on the County of Los Angeles' temporary management of the Sativa Water System.

Please address any questions regarding this report or other matters concerning the Sativa Water System to Deputy Director, Daniel J. Lafferty. Mr. Lafferty can be reached at [dlaff@pw.lacounty.gov](mailto:dlaff@pw.lacounty.gov) or (626) 458-4012.

RB:yg

P:\swppubl\Secretarial\2019\SATIVA\September 2019 Quarterly Report to LAFCO.docx

Attach.

**Sativa Water System  
LAFCO Quarterly Report  
June 20, 2019 to September 19, 2019**

On March 19, 2019, LAFCO adopted a resolution dissolving Sativa and putting the County in place as the successor agency. This report summarizes notable actions taken by the County during the second quarter of its temporary management of Sativa.

**PROVISIONS OF RETAIL WATER SERVICE**

The County continues to provide water service to Sativa's 7,000 customers and to oversee day-to-day management of the water system.

Water Quality Testing

State-mandated water quality testing of Sativa's water continued during this reporting period. Certified tests continued to show that Sativa's water meets all Primary Drinking Water Standards and is safe to drink.

Financial Audit

The County completed a financial audit of Sativa covering the period of July 1, 2017, through June 30, 2018. This period was prior to the County's appointment as Interim Administrator by the State of California. An independent auditor found that Sativa had limited supporting documents (i.e. purchase orders, invoices, receipts, etc.) and lacked internal financial controls (i.e. procedures for handling cash, approval of checks, etc.) Because of this, the auditor issued a disclaimer audit opinion and noted the following:

- Expenditures exceeded revenues by approximately \$700,000
- \$1.6 million loan to finance the acquisition and construction of a well instead appeared to have been used for other purposes
- As much as \$385,000 in cash disbursement transactions could not be substantiated by supporting documents
- An additional \$92,000 in debit card charges could not be substantiated by supporting documents
- An additional \$84,000 in cash disbursement transactions appear to be "nonlegitimate" and "could possibly involve improper and/or unlawful actions"

Consistent with County policy and procedures, the audit was forwarded to the County's attorneys who are in the process of referring it to law enforcement.

A copy of the audit has been posted on Sativa's website and is available to the public.

Staffing

As of the end of this reporting period, two of the original six Sativa employees remain employed by the County.

## Lawsuits

Prior to the County becoming the Sativa Interim Administrator, a few Sativa customers filed a class action lawsuit in Superior Court, *Martha Barajas, et al. v. Sativa LA County Water District, et al.*, regarding the water quality and other claims. On April 29, 2019, after the County became the successor agency, the County was named a defendant in the class action lawsuit. The Special District Risk Management Authority ("SDRMA"), a risk pool joint powers agency, has accepted the County's tender for a defense and indemnification under a reservation of rights. SDRMA is also defending and indemnifying Sativa in this lawsuit. No trial date has been set. The plaintiffs have filed a motion for class certification that has not yet been set for a hearing date. Regarding the merits of this lawsuit, we believe that the County has a strong defense because Health and Safety Code section 116687 provides immunity from liability for water quality issues to the interim administrator and successor agency.

## **CAPITAL IMPROVEMENTS**

Significant improvements to Sativa's water quality and system resilience were achieved during this rating period.

### Interconnection with Liberty Utilities

Construction of the interconnection with Liberty Utilities was completed on July 29, 2019. The interconnection was turned on and Sativa began receiving water on July 30, 2019. The interconnection provides Sativa with a continuous, uninterrupted supply of water that exceeds the maximum demand from Sativa. Per the terms of the agreement negotiated between the County and Liberty Utilities, Liberty Utilities provides water to Sativa "at cost;" there is no additional mark up for profit.

### Eliminating the Suspected Source of Sativa's Brown Water

Sativa's Well 5 is the suspected source of the particulate causing intermittent spikes of brown water. Because of poor system resilience including a lack of storage tanks and other factors, the County was not able to take Well 5 offline to begin repairs until an alternate source of water supply could be established.

On July 30, 2019, the same day the interconnection with Liberty Utilities was turned on, the County took Well 5 offline. From that point forward, no additional particulate was introduced to the distribution system. Well 5 will not be returned to service until it has been fully rehabilitated.



## System Flushing

Once Well 5 and the source of the particulate were taken offline, the County immediately began a flushing program designed to remove the particulate already coating Sativa pipes. Flushing of Sativa's distribution system began on July 30, 2019, the same day the interconnection was turned on and Well 5 was taken offline. Flushing continued until its completion on August 10, 2019.

In order to minimize impacts to customers and protect against a possible systemwide brown water spike, the County took a number of preventative actions:

**Advanced Technology** – Sativa's distribution system has a number of operational challenges which make traditional flushing techniques less effective. In order to overcome these challenges, the County brought in a vendor that uses advanced technology and a patented process to carry out the flushing program.

**Customer Notifications and Outreach** – The County carried out an aggressive customer notification and awareness campaign in both English and Spanish. Bilingual information flyers were included with monthly water bills, individually mailed to customers, and provided to each customer that paid in-person at the Sativa office. Bilingual robocalls (recorded messages) were delivered to customers at the start of construction and prior to each time work was done in their area. Multiple community meetings, small group meetings, and one-on-one meetings were conducted. Print, television, and radio media ran stories. Sativa's telephone greeting was updated to include a flushing announcement and progress updates. Sativa's webpage was redesigned to prominently display information on the flushing program. A 4-foot by 12-foot banner announcing flushing activities was hung outside Sativa's office building. And finally, the County partnered with the Compton Cowboys, a local community-based organization, to have volunteers ride horses through Sativa and distribute information flyers to customers.

**Overnight Work** – Flushing work was carried out weekdays between 10 p.m. and 5 a.m., the period when customers are least likely to use water.

**Emergency Response Plan/Predeployment of Resources** – The County developed a comprehensive emergency response plan for the deployment of bottled water should a systemwide brown water event occur. Emergency services were notified, roles and responsibilities were established, staff were identified and on-call to report in the event of an emergency, and resources were predeployed.

**Bottled Water Distribution** – Customers experiencing water service interruptions or brown water spikes were provided with bottled water. Bottled water was provided to any customer that reported a problem regardless of whether Sativa technicians observed brown water at their home.

### Current System Water Quality

Following the completion of the flushing program on August 10, 2019, water quality in Sativa's distribution system improved significantly. County staff have observed crystal clear water throughout the system and brown water complaints have dropped to zero. Sativa customers also report clear, clean water flowing from their taps.

The County will monitor Sativa's water quality for the next 30 – 60 days in order to identify any remaining brown water hotspots. In late October 2019, the flushing vendor will be brought back to complete a second round of flushing. This second pass will remove any lingering particulate. This work is not expected to generate brown water spikes or impact customers.

### Upcoming Work

Simultaneous to the construction of the interconnection with Liberty Utilities and execution of the flushing program, the County has been designing a pipeline replacement project and a project to rehabilitate Sativa's two well. Work currently under design includes:

- Pipeline Repair: \$600,000 – Replace a damaged, critical segment of Sativa pipeline under the Blue Line railroad tracks.
- Well Rehabilitation: \$350,000 – Disassemble, clean, and repair the major components of Sativa's two wells.
- Electrical/Mechanical Replacements at Well Sites: \$175,000 – Completely replace all electrical systems and mechanical equipment used to pump water from Sativa's two wells.
- Chlorination System Conversion: \$60,000 – Replace or rebuild Sativa's chlorination system to be safer and more secure.
- Supervisory Control and Data Acquisition (SCADA) System: \$120,000 – Install technology at Sativa's wells to allow remote monitoring and remote control of operations.

Rehabilitation of the “below ground” elements of Well 5 began in early September 2019. The other work described above will begin in early 2020 and be completed as follows:

- Pipeline under railroad tracks: Complete by spring 2020
- Clean and repair well shaft: Complete by spring 2020
- Replace equipment at wells: Complete by winter 2020
- Convert gas chlorine system: Complete by winter 2020
- Remote monitoring and operation: Complete by winter 2020

## **GRANTS**

The County has aggressively pursued grant funding from the State Water Board for Sativa's most critical infrastructure challenges. After a series of negotiations, the State Water Board recommended the County receive \$1.77 million in grant funds to address these issues. This grant is expected to cover 100 percent of the work outlined in the previous section.

### **State Department of Water Resources – Manganese Removal Grant**

In addition to grant funding from the State Water Board, the County has partnered with Water Replenishment District of Southern California to aggressively pursue grant funds for a manganese treatment system. The County has applied for \$2.25 million in Proposition 1 funding through the State Department of Water Resources' Integrated Regional Water Management (IRWM) Program. The grant proposal has been well received by the State. A final determination on project funding will not be made until early 2020.

If grant funding is provided for the manganese treatment project, work is projected to be completed by the end of 2020.

## **COMMUNITY ENGAGEMENT**

Building trust with Sativa's customers is one of the County's highest priorities. In addition to improving customer service, the County is working on building trust through sharing information with customers and improving transparency of decision-making processes.

### **Community Meetings**

During this reporting period the County met multiple times in small group settings with Community leaders. Additionally, a large-scale community meeting and open house event was held on September 14, 2019. In order to improve attendance, the meeting was held on a Saturday. Bilingual invitation flyers were sent with customer bills and were provided to each customer that paid in-person at the Sativa office. Bilingual robocalls reminding customers of the community meeting also went out the evening before the meeting. As always, Spanish translation of speakers and presentation materials was provided.

During the community meeting, updates were provided on the County's activities at Sativa and feedback was solicited on desired qualities for Sativa's permanent service provider. Attendees were especially pleased with the significant improvement in water quality and that the County was referring the audit to law enforcement.

Regarding desired qualities of Sativa's permanent service provider, the community expressed strong concern that their water rates will be raised and that the permanent service provider would break promises made in the RFP once the County turns over ownership. Meeting attendees requested a role in the process to select their permanent service provider.

## **BOARD OF SUPERVISORS ACTIONS**

No actions were agendized for Board of Supervisors consideration during the reporting period.

## **IDENTIFICATION OF A PERMANENT WATER SERVICE PROVIDER (RFP PROCESS)**

A Request for Proposals (RFP) for the transfer or sale of the Sativa Water System was published on September 11, 2019. A mandatory prebid meeting is scheduled for September 23, 2019, and proposals are due to the County by October 10, 2019. To date, five Investor Owned Utilities have indicated they plan to attend the mandatory prebid meeting. No public agencies have registered for the meeting.

The schedule for the RFP process is as follows:

- RFP Published: September 11, 2019
- Proposal Due: October 10, 2019
- Interviews (if conduct): October 2019
- Final Selection: November 2019
- Negotiations: December 2020
- Finalize Recommendation: January 2020
- Board of Supervisors Approval: Jan/Feb 2020
- Transfer to permanent water service provider: spring 2020 to mid-2021.

The County, with consideration of suggestions made by Sativa customers, has developed scoring criteria to evaluate proposals. A RFP evaluation committee, which will include a member from LAFCO, will use the scoring criteria to evaluate proposals and make a recommendation to the Board of Supervisors. A final decision on Sativa's permanent service provider by the Board of Supervisors is expected in late winter 2020.

The RFP has been posted on the County's contract solicitation webpage and on Sativa's webpage. E-mail notifications of the solicitation were also sent to an extensive list of Investor Owned Utilities, public agencies, professional associations, and others.

## **CALIFORNIA PUBLIC UTILITIES COMMISSION APPROVAL OF A PERMANENT WATER SERVICE PROVIDER (IF APPLICABLE)**

If an investor owned utility is selected as Sativa's permanent service provider, that entity will be required to submit an application to the California Public Utilities Commission (CPUC) requesting approval to take over operation of Sativa. The CPUC approval process could last up to 18 months. The identification of a permanent service provider has not been completed; therefore, CPUC has no role in Sativa at this time

## **Staff Report**

**November 13, 2019**

### **Agenda Item No. 9.d.**

#### **Draft Sphere of Influence Policy**

The Commission may adopt local policies to implement the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the "Act"). For example, the Commission previously adopted policies relative to technical LAFCO issues (valuation of written protests in 2014 and out-of-agency service extensions in 2015) as well as policies relative to administrative issues (alternate legal counsel in 2013 and procurement/reporting in 2019).

Within the Act, Government Code § 56076 defines a Sphere of Influence ("SOI") as "a plan for the probable physical boundaries and service area of a local agency, as determined by the Commission."

The Commission and staff frequently refer to "types" of SOIs, the most common of which are "Coterminous SOIs," (where the agency's SOI boundary includes the same territory as the agency's jurisdictional boundary) and "Larger than SOIs," (the agency's SOI boundary includes territory that is larger than the jurisdictional boundary of the agency).

LAFCOs also refer to "Zero SOIs," which indicates that an agency's SOI boundary includes no territory, and the services may ultimately be provided by another service provider. The Commission previously adopted Zero SOIs for two agencies (the Huntington Municipal Water District in 2012 and the Sativa County Water District in 2014), both of which the Commission later dissolved.

In the interests of informing stakeholders, promoting transparency, and better informing the public, staff recommends that the Commission adopt an SOI policy which contains defined terms of types of SOIs.

#### **Recommended Action:**

Staff recommends that the Commission:

1. Adopt the draft "Sphere of Influence Policy"; and
2. Direct staff to post the Sphere of Influence Policy to the Commission website.

## **DRAFT Sphere of Influence Policy**

**Adopted DATE, 2019**

### Background:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“Act”) is the primary body of State Law governing the operation of Local Agency Formation Commissions (“LAFCOs”).

Within the Act, Government Code § 56076 defines a Sphere of Influence (“SOI”) as “a plan for the probable physical boundaries and service area of a local agency, as determined by the Commission.”

### Policy:

The Commission hereby adopts the following definitions of types of SOIs for cities and special districts in Los Angeles County:

**Coterminous Sphere of influence:** A sphere of influence (SOI) for a city or special district that includes the same physical territory as the jurisdictional boundaries of that city or special district. The Commission adopts a Coterminous SOI if there is no anticipated need for services outside the jurisdictional boundaries of a city or special district, or if there is insufficient information to support inclusion of additional territory within the sphere.

**Larger than Sphere of Influence:** A sphere of influence (SOI) for a city or special district which includes territory that is larger than the jurisdictional boundary of the subject city or special district. The Commission adopts a Larger than SOI if there is an expectation of future growth of the agency’s physical boundaries and associated service area.

**Zero Sphere of Influence:** : A sphere of influence (SOI) for a city or special district that includes no territory. The Commission adopts a Zero SOI if the functions, services, assets, and liabilities of that city or special district should ultimately be re-assigned to another public agency or service provider.

October 2019

## Legislature Turns Toward Housing Policy

*Written by: Michael Colantuono and Aleks R. Giragosian, Colantuono, Highsmith & Whatley, PC*

### ANNUAL CONFERENCE EDITION

New Housing Legislation – Are we  
Paying Attention?

Making sense of Reclamation  
Districts in Yolo County

Doing more than surviving at  
San Luis Obispo LAFCo

2019 Report to the Membership

Message from the Chair

Thank You to our  
Associate Members

Message from the Executive Director



Governor Newsom recently signed AB 101, a budget trailer bill designed to address California's housing crisis. Many of its provisions are of interest to cities, counties, and LAFCOs.

**Grant Programs.** AB 101 incentivizes housing by authorizing the Infill Infrastructure Grant Program of 2019 and the Local Government Planning Support Grants Program. Applications by cities and counties with compliant housing elements that the Department of Housing and Community Development (HCD) has designated as "pro-housing" will receive preference. AB 101's Infill Infrastructure Grant Program of 2019 authorizes \$410 million for any city within a county with a population over 250,000 and \$90 million for any city within a county with a population less than 250,000.

The notice of funding availability will be published by November 30, 2019. For the \$410 million grant, an eligible infill project is a mixed-use residential project in an urbanized area on a site previously developed, or on a vacant site adjoining parcels developed with urban uses on 75% of its perimeter. Cities may apply individually, or jointly with a developer, to fund infrastructure to support eligible projects, including:

- Water, sewer, or other utility service improvements;
- Streets, roads, or transit facilities;
- Site preparation or demolition; and
- Sidewalk or streetscape improvements.

To qualify for an Infill Grant, a city or county must:

- Have a compliant housing element;
- Have submitted its annual housing element progress reports since 2017;

*Continued on Page 9*



# The Sphere

## CALAFCO Journal

October 2019

The Sphere is a publication of the California Association of Local Agency Formation Commissions.

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To submit articles, event announcements, comments or other materials noteworthy to LAFCo commissioners and staff, please contact the Editor at 916-442-6536 or [info@calafco.org](mailto:info@calafco.org).

The contents of this newsletter do not necessarily represent the views of CALAFCO, its members, or their professional or official affiliations.

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**Josh Susman**  
Chair of the Board  
CALAFCO

## A MESSAGE FROM THE CHAIR OF CALAFCO

Greetings to my fellow California LAFCo members. It has been my privilege and honor to serve as your CALAFCO Chair of the Board this past year.

Our accomplishments would not have been possible without your support - the CALAFCO membership and all who volunteer on committees, your CALAFCO Board, the volunteer regional EOs and the tireless commitment and dedication of CALAFCO's Executive Director, Pamela Miller.

It has been a tumultuous year and it would be great for me to say it has been smooth sailing and that all our sponsored and supported legislation was approved and adopted and there were no challenges for CALAFCO or for all LAFCos throughout our great state. But, alas, this would be "fake news".

Issues and pressures are everywhere...from the Federal government to our own statewide challenges, our individual LAFCo issues and our own CALAFCO priorities. The one thing we all have in common is the strength of one voice we enjoy, the unity of all California LAFCos through CALAFCO. As we each take on our own LAFCo challenges, we have the opportunity to come together and be connected through CALAFCO.

Allow me to be honest for a moment. I've been honored to be on the CALAFCO Board of Directors for 12 years. What has consumed me for the last five years as a member of the CALAFCO Executive Committee (two years as Treasurer) and now as current Chair, has been the sustainability of the CALAFCO Association. Believe it or not, I was on the Board when the current dues structure based on categories of rural, suburban and urban was created. That structure has served the Association well, yet we've outgrown it since it was implemented. Your CALAFCO Board has been discussing this in-depth for the past two years and to that end, the Board's been working to create a contemporary plan and dues structure to better reflect the growing organization, both regionally and statewide, to maintain a sustainable organization.

After almost two years in the making, your Board has reviewed, vetted, discussed and now released for our members' consideration and approval what will be before you at the Annual Business Meeting. I assure you, the Board has considered the significance of this request. One may ask, "Are there improvements to this proposal going forward that could be made?" I know I speak for the Board when I say we are open to new information and feedback. And, time is important if we want to stay financially healthy and not rely on Fund Reserves to balance the budget in future years, and maintain the level of service CALAFCO is providing.

As your Chair, and on behalf of the Board, I ask you at this time for your support as we take the crucial steps forward into the future for a stronger and sustainable CALAFCO organization, representing all of California's LAFCos.

Thanks to all of you for your professionalism in moving CALAFCO forward. I look forward to a bright future for our Association and the magic to be created by the power of our collective voice.

**The Sphere**

## A Message from the CALAFCO Executive Director

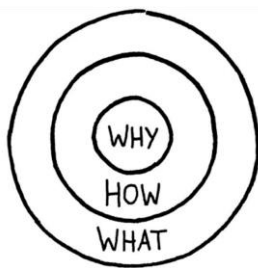


**Pamela Miller**  
Executive Director

### What's Your "Why"?

Do you know WHY you do what you do? Everyone knows WHAT they do and most can explain HOW they do it. Few fully understand and can articulate WHY they do what they do. This is true for us as individuals, for teams and for organizations. Yet the WHY is what connects the "what" and "how" to the greater purpose of the work and who we are in the world. Individuals who understand and live their WHY are inspiring and motivating and organizations who operate from their WHY are far more successful than those who don't.

In his book *Start With Why*, Simon Sinek shares the concept of the "Golden Circle". Here's the concept: he asserts that every organization and every person's career operates on three levels as shown in the diagram: **What** we



do, **how** we do it and **why** we do it. In our conversations, that is typically the order or flow in which we present that information. We think, act and communicate from the outside in. We start with the clearest and easiest thing to communicate and move to the more difficult and "squishiest" thing. How compelling and inspiring is that?

Yet, it's the "squishy" that creates connection. Inspiring leaders and successful organizations think, act and communicate from the inside out. They start with the WHY. It's not very compelling and inspiring to hear what I do and why you should care....if I spoke first about why I care and compel you to care then talk about the WHAT...what a shift in perspective and interest that would create.

How often do you think – and I mean really think – about WHY you do what you do?

Our WHY is what inspires and motivates us...it's why we get out of bed every day and go to work or make positive contributions in the world. It is our belief, our cause. Our WHY is what connects us with others and to the work we do. It's not "to make money" or "to

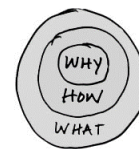
get a promotion" – those are results of our why. Teams that understand their WHY are more easily able to connect their work and how they do it to the greater purpose of the organization and as a result, find greater satisfaction in their work, are more loyal to each other as a team and to the organization. Organizations who know WHY they exist are more successful in fulfilling their vision, mission and purpose.

Do you know what your **WHY** is?

All of us are frequently asked, "What does LAFCo do?" And, how quickly into our response do people's eyes glaze over? It is well before we get to the WHY what we do is important. Imagine if we reversed the order of the response and began with **WHY** the work of LAFCo is important, and move into the how and what...the story would be much more compelling and interesting for people.

Now don't take my word for it...Sinek's Golden Circle concept contains some science about the human brain and how these connections are made. The outer section of the circle, the WHAT, corresponds to the outer section of the brain – the neocortex. This is the part of the brain that controls rational and analytical thought. It helps us to understand facts, figures and controls language.

The middle two sections of the circle, the HOW and WHY, correspond to the middle section of the brain, the limbic system. This part of the brain is what is responsible for our decision making and behaviors. This part of the brain has no capacity for language...therefore this is where "gut feelings" come from.



<<Limbic Brain

<<Neocortex

So, if we want to truly connect with others, we must start with the **WHY**. Only there can we inspire, motivate and create connection.

What's your LAFCo's **WHY**?

What's your **WHY**?



## CALAFCO 2019 Annual Report to the Membership

### Dear CALAFCO Members:

The CALAFCO Board of Directors is proud to report the highlights of our Association during the past year, which was another full year. CALAFCO continues to be a valuable educational resource to our members and an advocate for LAFCo and LAFCo principles to statewide decision makers. Highlights of the year include our 2019 Annual Conference in Sacramento, Staff Workshop in San Jose, and our continued strong presence across the state as an advocate for LAFCo and LAFCo principles to the Legislature.

We are pleased to report that all 58 member LAFCos have renewed their membership for the 2019-20 fiscal year, and today we have five (5) Gold Associate members and twenty-one (21) Silver Associate members.

Once again this year CALAFCO earned the *GuideStar Exchange Platinum Seal* in recognition of our transparency and completeness in documentation. This is the highest recognition any nonprofit can receive from Guidestar.

Our achievements are the result of the dedicated efforts of the many volunteer LAFCo staff from around the state who contribute their time and expertise. The Board is grateful to the Commissions who support their staff as they serve in the CALAFCO educational and legislative roles on behalf of all LAFCos. We are also grateful to the Associate members and event Sponsors that help underwrite the educational mission of the Association and allow us to keep registration fees as low as possible.

### EDUCATIONAL SERVICES AND COMMUNICATION

CALAFCO educational and information sharing-services continue to be the Board's top priority for member services. Under this umbrella, the Association focuses its resources in four areas: the Staff Workshop, Annual Conference, CALAFCO University courses and electronic resources including the web site, quarterly reports and the member list-serves.

### 2019 Staff Workshop

We continued the tradition of quality education programming with the Staff Workshop held in San Jose in April and the Annual Conference in Sacramento this October. The Workshop, hosted by *Santa Clara LAFCo*, brought together 100 LAFCo staff and guests from around the state, representing 40 LAFCos and four Associate member organizations.

We would like to thank the Program Planning Committee members and Chair *Keene Simonds* (San Diego LAFCo), our host, *Santa Clara LAFCo*, led by *Neelima Palacherla* and all who worked to make this an outstanding Staff Workshop. We also acknowledge and thank the sponsors of this year's Staff Workshop: *Best Best & Krieger; Colantuono Highsmith & Whatley; Open Space Authority of Santa Clara; RSG and De Novo Planning Group*.

All workshop materials were posted to the CALAFCO website prior to the start of the Workshop.

The 2020 Staff Workshop is set for March 25 – 27, 2020 at the beautiful Hyatt Regency Newport Beach John Wayne Airport and will be co-hosted by *Orange and Imperial LAFCos*.

### 2019 Annual Conference

Approximately 250 LAFCo commissioners, staff and guests are expected at the 2019 Annual Conference in Sacramento as CALAFCO connects California.



The program is rich in content with general and breakout sessions focusing on topics essential to LAFCos as we all continue to tackle the many challenges we face in fulfilling the mission of LAFCo.

We acknowledge and thank the Conference Committee Chair *Anita Paque* (Calaveras), the Program Committee Co-Chairs *Christine Crawford* (Yolo) and *Keene Simonds* (San Diego) and all who worked on the Program Committee to make this an outstanding Conference.

We wish to also thank all of our sponsors for this year's Annual Conference, without whom this special event would not be possible: *Best Best & Krieger; CV Strategies; Streamline; Colanuto, Highsmith & Whatley; Cucamonga Valley Water District; Eastern Municipal Water District; Imperial LAFCo; Irvine Ranch Water District and Western Municipal Water District*.



A special thank you to *CV Strategies* who is sponsoring our first Conference app! They will also be sponsoring the Workshop app for our 2020 Staff Workshop.

Conference presentation materials are posted on the CALAFCO website in advance of the Conference as they are received from presenters. You can find presentation materials for all prior Conferences on the CALAFCO website.

Next year's Conference will be hosted by CALAFCO and held at the *Hyatt Regency Monterey*. Dates are October 21 – 23, 2020.

### **CALAFCO University**



There has been one CALAFCO U course so far this year in Sacramento held on July 15. The topic was *A deep dive into MSRs: One size does not fit all*. A diverse panel of speakers offering varying perspectives of the process, content and value of MSRs was presented.

The next CALAFCO U session is scheduled for January 13, 2020 in Orange County with the topic being *Demystifying legacy costs associated with City and Special District reorganizations*. Once again an all-star panel of experts has been assembled for this session. Registration is open for this unique CALAFCO University course.

Materials for all CALAFCO U sessions can be found on the CALAFCO website.

### **Accreditations**

CALAFCO's educational activities continue to be accredited by the American Planning Association to provide AICP credits for certified planners. This benefit is provided at no cost to LAFCo staff and helps them maintain their certifications. In addition, both the Conference and Workshop have sessions for LAFCo counsel that have been accredited for MCLE credits by the California Bar.

### **Web Site**

The CALAFCO web site is a vital resource for both LAFCos and the community with questions about local government in California. The site consistently attracts between 5,500 and 6,500 visits per week. The vast majority of the visits are for the reference and resource materials found on the site and referral information to member LAFCos.

### **List-Serves**

The list-serves maintained by the Association continue to be an important communication and information sharing tool among LAFCo staff. In total, we maintain eight list serves to help members share information, materials, and expertise. The List-Serves for executive officers, analysts, clerks and counsel discussions remain the most popular and serve to foster the sharing of information and resources. It is important for you to advise CALAFCO when your staff changes so the list serves can be kept up to date.

### **Special Projects**

As a follow up to the 2017 Little Hoover Commission report and recommendations and in light of growing pressure from the Legislature, this year CALAFCO formed a working group to look at potential rewrites of various Protest Provision statutes within CKH. This is a multi-agency and diverse working group with 19 people. CALAFCO member representatives include: *Pamela Miller* (CALAFCO), *José Henríquez* (El Dorado, Central region), *Steve Lucas* (Butte, Northern region), *Kai Luoma* (Ventura, Coastal region), *Paul Novak* (Los Angeles, Southern region), *Holly Whatley* (Colantuono, Highsmith & Whatley), special advisor *Harry Ehrlich* (San Diego), and joint CALAFCO/CSDA Board Member *Jo MacKenzie* (San Diego). Representatives from CSDA include *Anthony Tannehill* and *Mustafa Hessabi* (CSDA staff), *Danielle Coates* (Eastern Municipal Water District), *Christine Compton* (Irvine Ranch Water District), *Lindsey Liebig* (Herald Fire Protection District), *Noelle Mattock* (El Dorado CSD) and *Elliot Mulberg* (Florin RCD & Elk Grove Water District). Other representatives include *Geoff Neill* (CSAC), *Betsy Strauss* (League of CA Cities), *Anton Favorini-Csorba* (Senate Governance & Finance Committee) and *Jimmy MacDonald* (Assembly Local Government Committee).

To date the working group has had two in-person meetings and one phone conference and is in the data gathering stage. The working group is committed to a long process (originally thinking it would be two years). An update on the working group will be provided at the legislative session during the Conference.

### **LEGISLATIVE PROGRAM**

The 2019 legislative year began with excitement and apprehension as we acclimated to a new Governor and new agenda in Sacramento. Of the 2,625 total legislative proposals that were introduced this year, about 40 percent (1,042 bills) made it to Governor Newsom's desk. He signed 870 and vetoed 172.



The CALAFCO Legislative Committee (Committee) began work in October 2018 and met regularly through July 2019.

CALAFCO ended the year tracking a total of twenty-four (24) bills, sponsoring two (2) bills and taking formal positions on nine (9) bills. In addition, we worked closely with authors' offices on several other bills to successfully avoid harmful LAFCo related amendments on bills moving through the Legislature.

CALAFCO also participates on the Department of Water Resources' County Drought Advisory Group (CDAG) and convened the working group on the protest provisions rewrite.

Thorough legislative updates are provided throughout the year via email and are available daily on the CALAFCO website in Capitol Track. In this Annual Report we will summarize the two CALAFCO sponsored bills. A broader legislative discussion on the most critical of bills affecting LAFCo will occur during the Annual Conference – check your program for details. For a complete list of CALAFCO bills, please visit the CALAFCO website Legislation section. Information is updated daily.

On June 26, 2019, the Governor signed **AB 1822**, the Omnibus bill. The bill contained seven (7) updates to CKH. We are grateful for the efforts of Committee member **Sam Martinez** (San Bernardino LAFCo) and Assembly Local Government Committee (ALGC) consultant **Jimmy MacDonald** for their efforts on shepherding this bill, and to all of you who did the work of submitting proposals for insertion into the Omnibus.

The other CALAFCO sponsored bill this year was **AB 1253** (R. Rivas), which provides state funding for LAFCo. Since Governor Brown vetoed **AB 2258** last year, the Board unanimously supported making this a priority again this year. With the potential of \$2 million on the table for LAFCos to study and potentially reorganize service providers with documented known service and governance concerns serving disadvantaged communities and all LAFCos getting reimbursement for the unfunded mandate related to SB 448 (mandatory dissolution of inactive districts), we felt it was important to try again with a new Governor.

Ultimately the funding did not make it into the FY 2019-20 budget and the author decided to hold off one more year and try to secure the funds in the FY 20-21 budget. Additionally, the Department of Conservation expressed an interest in assisting CALAFCO in

securing funds to reimburse LAFCos for the mandated dissolutions in a separate piece of legislation.

The Board decided this will be a priority one last and final time for the 2020 legislative year.

The CALAFCO Board and Executive Director wish to thank everyone who responded to the calls for legislative action throughout the year. Our collective voice really does have an impact and makes a difference in Sacramento.

We also want to thank all of the people who volunteer to be a part of the Legislative Committee and the Legislative Advisory Committee. They work hard for a large portion of the year on behalf of the entire membership.

## FINANCIAL POLICIES AND REPORTING

The Board maintains policies and current filings which are in compliance with all federal and state requirements for 501(c)(3) organizations. The CALAFCO Policy Manual, IRS Form 990 and other key Association documents are available on the CALAFCO web site. The Association also maintains its records with the national nonprofit reporting organization, GuideStar ([www.guidestar.com](http://www.guidestar.com)). In 2019 CALAFCO earned the *GuideStar Exchange Platinum Seal* in recognition of our transparency and completeness in documentation. This is the highest level of achievement seal an entity can earn from GuideStar.

All financial records are reviewed quarterly by an outside CPA with reports to the Treasurer and the Board. The Board also reviews the annual IRS Form 990 tax filing prepared by the CPA and staff.

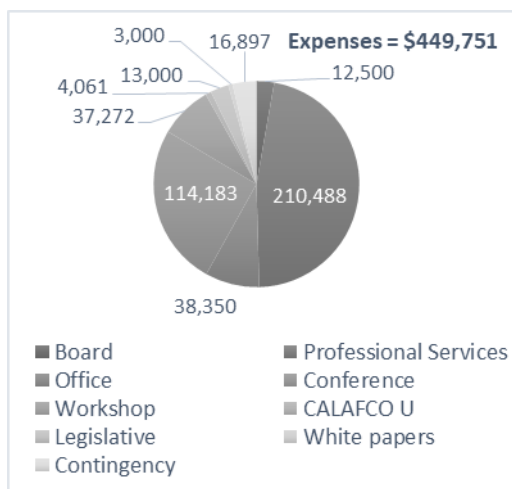
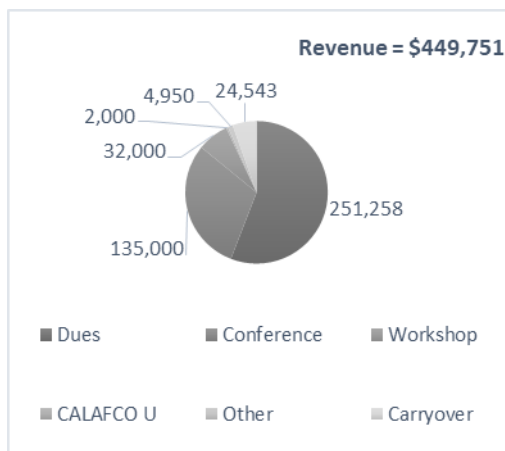
### 2019-20 Budget

The Board and Executive Director continue to manage the financial resources of the Association closely. As was reported the past two years, we continue to have an unhealthy and unsustainable reliance on the Conference net profit and prior years' net balance to balance the budget. The member dues have never covered the operational costs of the Association and as those costs increase, the increase in dues has not kept pace causing the gap to continue to grow.

In May, the Board adopted a balanced budget. This is due mostly to the large net profit realized for the 2018 Annual Conference (42%), with some savings in the budget realized by staff. As a result of this net profit, we did not have to rely on the \$18,153 of Reserve Funds needed to balance last year's budget. The net surplus allowed us to cover that deficit, cover \$35,591 of the

approx. \$69,000 structural deficit for FY 2019-20, have a surplus carryover balance of \$24,543 and hold almost \$17,000 in the Contingency Fund for FY 2019-20. The remaining portion of the anticipated structural deficit of FY 2019-20 was shared with a one-year cost-sharing increase in member LAFCo dues of 16.25%.

Revenues for FY 2019-20 are budgeted at \$425,208 with an additional \$24,543 in net surplus for a total of \$449,751. Member LAFCo dues comprise \$239,358 of this amount. Expenses are budgeted at \$432,854 with an additional \$16,897 budgeted for Contingency. Total operational expenses are budgeted at \$277,338 (excludes Conference, Workshop and CALAFCO U expenses). This means for FY 2019-20 there is a structural deficit of \$37,980 (difference between member LAFCo dues and operational costs of the Association).



This deficit is being covered by the 15% Conference net profit built into the budget as well as the net surplus. It is the hope of the Board that this year's Conference will realize the budgeted net profit.

The Board spent a great portion of the year discussing the dues structure and the structural deficit, as it promised the membership last year. The financial ad hoc committee did a tremendous amount of work in creating and considering eleven (11) various options of new dues structure before forwarding two to the Board. The Board considered several options over a number of months and in early August presented the membership with a proposal for consideration at the 2019 Annual Business Meeting. Over the past several months, Board members and CALAFCO staff have reached out to our members and made ourselves available to answer questions about the new proposed dues structure. We look forward to this discussion on October 31.

### *Restricted Fund Reserve*

Since 2005 an important goal established by the Board has been to grow and maintain a Fund Reserve to support member services in uncertain economic times and to avoid the need to tap members for additional funds, as had been done in the past. The current balance in our Fund Reserve account is \$162,754, about 58% of the annual operations budget outside of the Conference, Workshop and CALAFCO U. The reserve is not part of the annual budget and requires a vote of the Board to use its funds. The Association has not used the fund reserve since the early 2000s.

CALAFCO maintains its funds with the Local Agency Investment Fund (LAIF). Interest rates have turned and are slowly on the increase.

All financial reports, including budgets and annual tax filings, are available to the membership on the CALAFCO website as well as on GuideStar's website.

### ASSOCIATION MANAGEMENT

Earlier this year CALAFCO had to unexpectedly relocate our offices. After eleven years subleasing office space from the Rural County Representatives of California (RCRC), they expanded and needed the space for their own use. With only 45 days to find a new home and move (around the same time as the staff workshop!), staff quickly researched new locations and narrowed the field to several affordable options. Staff presented the information to the Board and a decision was made. The offices were relocated in downtown effective May 1. While there have been numerous challenges associated with the new location, staff continues to work getting settled into the new CALAFCO home.





## A FINAL THANK YOU

We wish to recognize the leadership of our Executive Director **Pamela Miller** and Executive Officer **Steve Lucas** (Butte). Added to that is our appreciation for all the contributions of Executive Assistant **Jeni Tickler** in the CALAFCO office, DEOs **Christine Crawford** (Yolo), **Martha Poyatos** (San Mateo) and **Keene Simonds** (San Diego), Legal Counsel **Clark Alsop** (BB&K), and CPA **Jim Gladfelter** (Alta Mesa Group). These people, along with many other volunteers, Associate members and members of the Board have all worked together this year to bring many achievements and a strong Association to you, our member LAFCos and Associate members.

Sincerely Yours,  
*The CALAFCO Board of Directors*

## Making Sense of Reclamation Districts in Yolo County

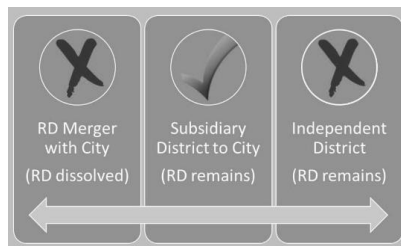
*Written by Christine Crawford, Yolo LAFCo*

Yolo's fifteen (15) reclamation districts (RDs) were formed roughly 100 years ago back in a time when counties sold an acre of land for a mere \$1 to anyone who was willing to "reclaim" it from the swamps by building up levees. Surprisingly, in Yolo County there have been few governance changes in the last century (except for some previously existing RDs going defunct) despite the significant changes in development and community patterns.

Yolo LAFCo currently has seventeen (17) state and local agencies maintaining portions of the Sacramento River Levee System. With heightened interest after Hurricane Katrina and the State's efforts with the Central Valley Flood Protection Plan, Yolo LAFCo embarked on a comprehensive MSR to

solve this critical governance problem: levees are only as strong as the weakest link and with so many RDs (and some

underperforming), something needed to be done. Therefore, the primary goal of the MSR was to encourage consolidations and determine the best agency to become the lead for each of Yolo's five hydrologic basins.



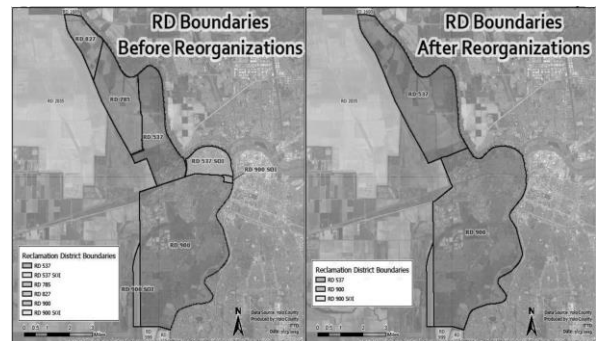
The 2018 MSR resulted in governance recommendations for each of the five hydrologic basins. In particular, the West Sacramento Basin recommendation was controversial with the local reclamation district (RD 900) fighting to retain independent control. However, because the district was completely within City boundaries, LAFCo ultimately recommended in its MSR the district be established as a subsidiary district to the City of West Sacramento. The graphic shows the range of alternatives considered in the MSR.

LAFCo's recommendation was fought by RD 900 and became the subject of a Yolo County Grand Jury investigation with a report issued June 28, 2019, awkwardly, while the proposal application was still pending.

Steadfast in its mission, at its May 23 and July 25, 2019 meetings Yolo LAFCo approved two proposals resulting from the 2018 MSR to achieve what is illustrated in the "before and after" maps below. Four RDs became two, which are now aligned to each hydrologic basin and unique urban versus rural needs. In addition, two areas (one of them disadvantaged) previously not covered by the RD were annexed.

There was no protest filed to the proposal to dissolve and annex the RDs to the north into RD 537 and the protest process for RD 900 concludes on November 13, 2019. Assuming all the terms and conditions are successfully completed, the reorganizations will become effective on July 1, 2020.

I am very proud of the Commission's persistent leadership over the past three years to bring much needed governance changes to ensure critical public safety along the Sacramento River Levee System in Yolo County and a more sensible governance configuration.



# Legislature Turns Toward Housing Policy

*Continued from front cover*

- Apply the funds toward a project
  - with at least 15% affordable units;
  - in an area zoned for mixed-use or residential development;
  - with an average residential density of 30 or more units per acre for a jurisdiction in a metropolitan county.

The Local Government Planning Support Grants Program funds local planning activities to accelerate housing projects and housing element compliance. It authorizes:

- \$125 million for councils of governments; and,
- \$125 million for cities and counties.

The funds may only be used for housing-related planning, including:

- Rezoning and updating planning documents, such as general plans, including housing elements, community plans, specific plans, and sustainable communities strategies;
- Program level CEQA compliance to eliminate the need for project-level review;
- Establishing a Workforce Housing Opportunity Zone (Gov. Code, § 65620 et seq.) or a Housing Sustainability District (Gov. Code, § 66200 et seq.);
- Infrastructure planning, as for sewers, water, transit, roads, or other public facilities to support new housing and residents;
- Partnering with other local entities to identify and prepare excess property for residential development;
- Revamping local planning processes;
- Developing or improving an accessory dwelling unit ordinance; or
- Covering the costs of temporary staffing for these efforts.

HCD will accept applications for Planning Program grants through July 1, 2020.

**Housing Elements.** Courts may apply a broad range of existing remedies if a city's or county's housing element is non-compliant, such as:

- Suspending a city's or county's authority to issue building, zoning and map approvals;
- Mandating approval of certain housing projects; or

- Forbidding denial of certain affordable developments.

AB 101 creates a new means to enforce housing element requirements. First, HCD will post on its website and update monthly a list of cities and counties that have not adopted compliant housing elements. Second, HCD will notify the city or county of its non-compliance, offer two opportunities to meet in person or via telephone to discuss the violation, and provide written guidance after the meeting. Then, HCD may:

1. Ask the Attorney General to request a court order directing the city or county to bring its housing element into substantial compliance.
2. If the local agency does not comply within 12 months of the order, the court must impose a fine ranging from \$10,000 to \$100,000 per month to be deposited into SB 2's Building Homes and Jobs Trust Fund. If the local agency fails to pay its fines, the court may require the State Controller to intercept any state and local funds to cover it.
3. If the local agency does not comply within 3 months of the imposition of the fine, the court may triple the fine.
4. If the local agency does not comply within 6 months of the original fine, the court may increase the fine six-fold or appoint a receiver to bring the agency's housing element into compliance.

By December 31, 2022, HCD and the Office of Planning and Research will develop a revised RHNA process "that promotes and streamlines housing development and substantially addresses California's housing shortage." It is unclear how the revision will affect, if at all, the sixth cycle RHNA allocation plan, which is scheduled to be adopted by the Southern California Association of Governments for its region in October 2020.

**Zoning Standards.** AB 101 defines a "Low Barrier Navigation Center" facility as a housing-first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect homeless people to income, public benefits, health services, shelter, and housing. "housing-first" providers offer services as needed and requested on a voluntary basis and do not make housing contingent on participation in services. A city or county has 30 days to notify a developer proposing such a use that its application is complete, and 60 days to act on a complete application.





Cities and counties must treat this use as a use by right in mixed use and nonresidential zones which allow multi-family uses, approving it on a ministerial, or “over the counter,” basis — without CEQA review. The statute applies to charter cities and expires January 1, 2027.

**Conclusion.** Housing and homelessness are pressing concerns for Californians and therefore have received sustained legislative attention. Further developments are likely in the next legislative session. In the meantime, there is much for local governments — and the LAFCOs which serve them — to get up to speed on.

## Doing More Than Surviving in San Luis Obispo

*Written by: David Church, San Luis Obispo LAFCo*

**Staff Transitions.** Life happens, and SLO LAFCo’s Clerk, Ms. Donna Bloyd retired at the end of June. Donna has been the glue of our organization for over 15 years. She wrote procedures, organized the office, worried about the details and took great care to ensure SLO LAFCo achieved its mission. Donna cared deeply about us doing a great job and we wish her well in retirement!

In September, we hired Imelda Marquez as our new Clerk. Imelda came to us via Fresno LAFCo where she was an intern. She has enthusiasm, tenacious curiosity and a Bachelor’s in Geography. In her first month she has clerked a meeting, prepared and sent out the agenda, paid the bills, and basically hit the ground running. It is evident that Imelda also cares deeply about doing great work! Welcome aboard Imelda—we are so thankful for you! Also, thanks to Fresno LAFCo for pointing out Imelda’s outstanding skills and talents.

We also saw the retirement of Ray Biering, our steadfast legal counsel and advocate for almost 20 years. Ray’s excellent public agency experience kept us moving in the right direction. Brian Pierik of Burke, Sorensen and Williams has joined us and has been exceptional over his first year. Welcome Brian!

**Opting-In, Opting-Out.** The two California Water Districts that were formed to help landowners comply with SGMA in the Paso Robles Groundwater Basin were created on the principal of voluntary participation. In other words, as a landowner you could opt-in to the District and conversely opt-out if you wanted to have the County be your GSA instead. Well, the 140,000 acre Shandon-San Juan Water District, which is a GSA under SGMA, had a 33,000 acre detachment (opt-out/Ranch) in September, 2019. This decreased the funding for the District by around \$7,000

overall. The District, while not excited about the detachment, did not oppose it and LAFCo approved the proposal. Interesting to see how things work out in an impacted and polarized groundwater basin that is under SGMA’s bright light.

**Commission Pulls Together.** The last couple years our Commission has really done a great job of pulling on the same end of the rope. By that I mean, we have tackled some challenging issues with a respectful and listening attitude towards the public, applicants and each other. This has created a good decision making climate for all parties. Special thanks to our Chair, County Representative, Lynn Compton for running an efficient and civil ship. Kudos to the Commission for giving your patient and thoughtful effort to those involved in the work we do for the County, Cities and Special Districts.

**SOI/MSR/MOA Updates.** It would be easy to take for granted that we have now, for the third time in 17 years, updated the Spheres of Influence, Municipal Service Reviews and the Memorandum of Agreements for the Cities of Pismo and Atascadero. We started this journey back in 2002 with Pismo Beach and have carried on consistently throughout the years with regular updates and an annual work plan. The updates have not been completed exactly every five years, but they have been done “as needed”. Thank goodness we have some flexibility written into the CKH Act. The key SOI’s now have embedded in them conditions regarding the preservation of prime agricultural land, having a sustainable, adequate and reliable water supply, and we even tackled the negotiated property tax process. We are so appreciative of Mike Prater, Deputy Executive Officer, who expertly manages this program and herds the cats towards the finish line! Great Job Mike!

## In Memory of Jim Gray

Placer LAFCo lost a long time Commissioner when Jim Gray passed away August 21. Jim was serving as the Alternate Public Member and had previously served as a City member, having served on the Commission for approximately eleven years. He had attended several CALAFCO Conferences.



Jim had been on the Roseville City Council for nine years, including two terms as Mayor, and was an active Rotarian and volunteer in the community. Jim volunteered his time coaching youth sports and participating in numerous community organizations. Jim was the Personnel Director for Placer County prior to his retirement.



## Thank You to All of Our Associate Members

### CALAFCO GOLD ASSOCIATE MEMBERS



COLANTUONO  
HIGHSMITH  
WHATLEY, PC



### CALAFCO SILVER ASSOCIATE MEMBERS

*Berkson Associates  
City of Fontana  
City of Rancho Mirage  
County Sanitation Districts of L. A. County  
Cucamonga Valley Water District  
Dudek  
E. Mulberg & Associates  
Economic & Planning Systems (EPS)  
Goleta West Sanitary District  
Griffith & Matsuda, a Professional Law Corp.  
HdL Coren & Cone*

*LACO Associates  
Lamphier-Gregory  
P. Scott Browne  
Pacific Gold Agriculture, LLC  
Planwest Partners, Inc.  
Policy Consulting Associates  
QK  
Rancho Mission Viejo  
Rosenow Spevacek Group (RSG)  
Santa Ynez Community Services District*

#### LOOKING AHEAD....



#### **CALAFCO 2020 Staff Workshop**

March 25 - 27

Hyatt Regency Newport Beach, John Wayne Airport  
Hosted by Orange & Imperial LAFcos

#### **CALAFCO 2020 Annual Conference**

October 21 - October 23

Hyatt Regency  
Monterey, CA

# The Sphere

*CALAFCO Journal*

CALIFORNIA ASSOCIATION OF LOCAL AGENCY  
FORMATION COMMISSIONS

1020 12<sup>th</sup> Street, Suite 222  
Sacramento, CA 95814

[www.calafco.org](http://www.calafco.org)



CALAFCO provides educational, information sharing and technical support for its members by serving as a resource for, and collaborating with, the public, the legislative and executive branches of state government, and other organizations for the purpose of discouraging urban sprawl, preserving open-space and prime agricultural lands, and encouraging orderly growth and development of local agencies.

**Sharing Information and Resources**

## The Year In Pictures - Scenes from CALAFCO Activities

### CALAFCO Annual Conference 2018

*Yosemite, CA*



### CALAFCO Annual Staff Workshop 2019

*San Jose, CA*



## **Executive Officer Report**

**November 13, 2019**

### **Agenda Item No. 13.a.**

The Executive Officer hereby reports the following:

- **Commissioner Schedule:** The next Commission Meeting is on Wednesday, January 8, 2020. Due to holiday and vacation schedules, staff will post and email the Agenda Package on or around Thursday, December 19, 2019.

### **Staff Recommendation:**

1. Receive and file the Executive Officer Report.